

SENATE BILL NO. 227

BY SENATOR BARROW

1 AN ACT

2 To enact R.S. 33:9038.71, relative to cooperative and economic development in East Baton
3 Rouge Parish; to create the Bethany Convention Center Development District as a
4 special taxing and tax increment financing district in East Baton Rouge Parish; to
5 provide for the boundaries of the district; to provide for the governance of the
6 district; to provide for the authority, powers, duties, and functions of the governing
7 body; to provide for the levy and collection of taxes within the district; to authorize
8 the 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. 33:9038.71 is hereby enacted to read as follows:

13 **§9038.71. Bethany Convention Center Development District**

14 **A. Creation. There is hereby created in the city of Baker, parish of East**
15 **Baton Rouge, hereinafter referred to as "Baker", the Bethany Convention**
16 **Center Development District, a special taxing district, body politic and**
17 **corporate of the state, referred to in this Section as the "district". The district**
18 **shall be a political subdivision of the state and the district is hereby granted all**
19 **of the rights, powers, privileges, and immunities accorded by law and the**

1 Constitution of Louisiana to political subdivisions of the state, subject to the
 2 limitations provided in this Section.

3 B. Boundaries. The district shall be comprised of the following described
 4 parcels or tracts of land located in Baker, referred to in this Section as the
 5 "property":

6 PARCEL 1:

7 A certain lot or parcel of ground, together with all buildings and improvements
 8 thereon, situated in that part of the city of Baker known as Ward: 2-2 #44, Lot
 9 D-5. Subdiv: BROWN TRACT. 6.89 ACRES, BEING TRACT D-5 OF THE
 10 BROWN TRACT, ORIGINALLY THE WHITESELL PROPERTY IN SEC.
 11 53, T5S, R1E, (LESS TO STATE OF LA. DEPT. HWY;

12 PARCEL 2:

13 A certain lot or parcel of ground, together with all buildings and improvements
 14 thereon, situated in that part of the city of Baker known as Ward: 2-2 #53..24.63
 15 ACRES CONSISTING OF TRACTS "D-6" AND "D-7" AND THE
 16 UNDISPOSED PORTION OF THE WILLIAM L. WHITESELL 43 ACRE
 17 TRACT IN SEC. 53, T5S, R1E;

18 PARCEL 3:

19 A certain lot or parcel of ground, together with all buildings and improvements
 20 thereon, situated in that part of the city of Baker known as Ward: 2-2 #49, Lot:
 21 X, Subdiv: IOWA-LA. LAND CO.. LOT "X" CONT. 1.377 ACRES RESUB.
 22 OF THE NORTH 28.20 ACRE & 15.00 ACRE TRACT IN SEC. 53, T5S, R1E
 23 OF THE IOWA LAND CO., BEING PART OF THE BROWN TRACT. 1976.
 24 (P-32,091). 1984. (P-43,538);

25 PARCEL 4:

26 A certain lot or parcel of ground, together with all buildings and improvements
 27 thereon, situated in that part of the city of Baker known as Ward: 2-2 #54..LOT
 28 2-C, CONT 4.299 ACRES RESUB. OF LOT 2 IN SEC. 53, T5S, R1E. 1999.
 29 (885-11056). RESUB. 1999. IMPS. 2800-6300.;

30 PARCEL 5:

1 A certain lot or parcel of ground, together with all buildings and improvements
 2 thereon, situated in that part of the city of Baker known as Ward: 2-2 #45,
 3 Lot: 12, Subdiv: BETHANY BAPTIST CHURCH. PROPERTY LOT 12,
 4 CONT. 7.461 ACRES RESUB. OF LOTS Y, D-2 & TRACT D-1-1 OF THE
 5 OLD BROWN TRACT, BEING BETHANY BAPTIST CHURCH PROPERTY
 6 IN SEC. 53, T5S, R1E. 1986. (647-648-9888). RESUB. 2001-05.

7 PARCEL 6:

8 A certain lot or parcel of ground, together with all buildings and improvements
 9 thereon, situated in that part of the city of Baker known as Ward: 2-2 #46, Lot
 10 13, Subdiv: BETHANY BAPTIST CHURCH. PROPERTY LOT 13, CONT.
 11 1.367 ACRES RESUB. OF LOTS Y, D-2 & TRACT D-1-1 OF THE OLD
 12 BROWN TRACT, BEING BETHANY BAPTIST CHURCH PROPERTY IN
 13 SEC. 53, T5S, R1E. 1986. (647-648-9888). RESUB. 2001-05.:

14 PARCEL 7:

15 A certain lot or parcel of ground, together with all buildings and improvements
 16 thereon, situated in that part of the city of Baker known as Ward: 2-2 #47, Lot
 17 8-A, Subdiv: BETHANY BAPTIST CHURCH. PROPERTY LOT 8-A, CONT.
 18 33.311 ACRES RESUB. OF LOT 8, BETHANY BAPTIST CHURCH
 19 PROPERTY & LOT 10, MILLARD T. OLIVER PROPERTY, IN SEC. 53,
 20 T5S, R1E. 1986. (647-648-9888). 2005. (745-11739). RESUB. 2001-05.

21 C. Purpose. The state hereby acknowledges that the redevelopment of
 22 the property within the district is an important element of the continued
 23 revitalization and economic development of the city-parish. The district is
 24 created to provide for cooperative economic development among the district,
 25 Baker, the state, and the owners of property in the district, in order to assist in
 26 the redevelopment of, and dramatic improvement to, the property within the
 27 boundaries of the district.

28 D. Governance. (1) In order to provide for the orderly development of
 29 the district and effectuation of the purposes of the district, the district shall be
 30 administered and governed by a board of commissioners, referred to in this

1 Section as the "board", comprised of seven persons as follows:

2 (a) The mayor of the city of Baker, or his designee.

3 (b) Each council member of the Baker City Council.

4 (c) A member appointed by the board of directors of the Baker Chamber
5 of Commerce who shall serve at the pleasure of the board.

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

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

16 (4) The domicile of the board shall be established by the board at a
17 location within the district or at Baker City Hall.

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

25 (6) The district shall be subject to the Public Records Law, official
26 journals law, Code of Governmental Ethics, and audit law pursuant to R.S.
27 24:513.

28 E. Rights and powers. The district, acting by and through its board,
29 shall be a special taxing district and shall have and exercise all powers of a
30 political subdivision and special taxing district necessary or convenient for the

1 carrying out of its objects and purposes including but not limited to the
2 following:

3 (1) To sue and to be sued.

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

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

8 (4) For the public purposes of the district, to enter into one or more
9 contracts, agreements, or cooperative endeavors with the state and its political
10 subdivisions or political corporations, Baker, the owners of property in the
11 district, and with any public or private association, corporation, business entity,
12 or person, including but not limited to a cooperative endeavor agreement, a
13 pledge and collateral assignment agreements, and tax collection agreement.

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

16 (6) To acquire by gift, grant, purchase, or lease such property within the
17 district as may be necessary or desirable to carry out the objectives and
18 purposes of the district and to mortgage and sell such property.

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

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

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

28 (10) To pledge the district tax collections and other funds and property
29 as security for the financing or refinancing of any costs incurred or to be
30 incurred in connection with any project or projects, or parts thereof, within the

1 boundaries of the district.

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

5 (12) To exercise any and all of the powers granted to an economic
6 development district as if the district were an economic development district
7 established pursuant to Part II of Chapter 27 of Title 33 of the Louisiana
8 Revised Statutes of 1950, including but not limited to the powers of tax
9 increment financing pursuant to R.S. 33:9038.33 and 33:9038.34 and the power
10 to levy taxes within the district pursuant to R.S. 33:9038.39, provided that any
11 such powers exercised by the district shall be subject to the provisions of Part
12 II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950 unless
13 such provisions are inconsistent with the provisions of this Section, in which
14 case the provisions of this Section shall control.

15 (13) To levy sales taxes, or hotel occupancy taxes within the district or
16 any combination of such taxes, above and in addition to any other sales taxes,
17 or hotel occupancy taxes, or combination of such taxes, then in existence or
18 permitted to be in existence within the district, in an amount as may be
19 determined by the board with the approved written consent of the owners of
20 immovable property in the district, all in addition to the powers authorized
21 pursuant to Paragraph (12) of this Subsection and pursuant to R.S. 33:9038.39,
22 subject to the limitations and prohibitions of the Louisiana Constitution.

23 F. Levy of taxes. (1) In order to provide funds for the purposes of the
24 district, the district, acting by and through its board, is hereby authorized to
25 levy and collect within the district:

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

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

1 or provisions of law, as amended.

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

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

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

15 (b) The occupancy tax shall be paid by the person who exercises or is
16 entitled to occupancy of the hotel room, and shall be paid at the time the rent
17 or fee of occupancy is paid.

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

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

23 (6) It is hereby recognized that there are currently no hotel occupancy
24 or sales taxes generated at the property within the district. Accordingly, if the
25 district elects to levy and collect any of the taxes authorized in this Section, such
26 levy shall be deemed to supersede and be in lieu of only such other taxes on
27 hotel occupancy and sales that, without the authority of this Section, would
28 otherwise be levied within the district, do not secure bonds that have been
29 authorized, that have not been dedicated by other law or by proposition
30 approved by electors voting in an election for such purpose, and that are not

1 based on a per-head or per-person basis. Additionally, if, during the term of the
2 district, such other taxes on hotel occupancy or sales within the district that are
3 currently not available for use for tax increment financing purposes should
4 subsequently cease to be authorized to secure bonds, cease to secure bonds that
5 have been authorized, or cease to be dedicated by other law or by proposition
6 approved by electors voting in an election for such purpose, and thus, become
7 available for the use of the financing purposes pursuant to this Section, then
8 such levy shall at such time be deemed to supersede and be in lieu of such other
9 taxes on hotel occupancy or sales within the district and shall be available for
10 use for the purposes of the district; however, if the district elects to levy and
11 collect any of the taxes authorized in this Section, such levy shall not be deemed
12 to supersede or be in lieu of the occupancy tax authorized by R.S.
13 33:4574.1.1(A)(6) relating to Visit Baton Rouge regardless of whether such
14 occupancy tax is pledged or dedicated to secure debt or bonds that have been
15 authorized and the proceeds of the avails of the occupancy taxes authorized in
16 R.S. 33:4574.1.1(A)(6) shall be dispersed and used for the purposes set forth
17 therein and as further provided in R.S. 33:4574.1.1(L).

18 G. Tax financing. (1)(a) The district may issue revenue bonds, in one
19 or more series, payable from an irrevocable pledge and dedication of up to the
20 full amount of the district's hotel occupancy and sales tax increments and other
21 district revenues, leases, gifts, proceeds, rents, or other advantages as
22 authorized by this Section, in an amount to be determined by the district, to
23 secure any financing or multiple refinancings of any costs incurred or to be
24 incurred in connection with any project or projects, or parts thereof, within the
25 boundaries of the district. Additionally, without the necessity of issuing revenue
26 bonds, the district may pledge up to the full amount of the district's hotel
27 occupancy and sales tax increments and other district revenues, leases, gifts,
28 proceeds, rents, or other advantages received or collected under the authority
29 of this Section to any financing or multiple refinancings of any costs incurred
30 or to be incurred in connection with any project or projects, or parts thereof,

1 within the boundaries of the district in furtherance of the purposes of the
2 district. Such financing may include but shall not be limited to any loan or
3 loans, mortgages, the issuance of bonds, or the issuance of certificates of
4 indebtedness. For each of the designated nonvoter elected, pledged or dedicated
5 hotel occupancy taxes and sales taxes collected within the district, a tax
6 increment shall consist of that portion of the aggregate of such tax revenues
7 collected by the district each year which exceeds the amount of such taxes that
8 were collected in the year immediately prior to the year in which the district
9 was established.

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

14 (2) Any instruments or obligations of the district may be validly
15 executed, issued, sold, and delivered, notwithstanding that one or more of the
16 officers of the board signing such instruments or obligations, or whose facsimile
17 signature or signatures may be on the instruments or obligations, shall have
18 ceased to be such officer of the board at the time such instruments or
19 obligations shall actually have been delivered.

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

24 (4) The authority granted to the district pursuant to the provisions of this
25 Section is consistent with and subject to the limitations provided in R.S.
26 33:9038.42.

27 H. Term. The district shall dissolve and cease to exist one year after the
28 date on which all loans, bonds, notes, and other evidences of indebtedness
29 secured, in whole or in part, by district taxes or property are paid in full as to
30 both principal and interest; however, under no event shall the district have an

1 existence of more than thirty years from the date on which the taxes authorized
2 pursuant to this Section are first levied and collected.

3 I. Contesting ordinance or resolution; time limit. Any ordinance or
4 resolution adopted by the board including but not limited to an ordinance
5 adopted pursuant to Paragraph (F)(5) of this Section, or the pledge of tax
6 increments collected under the authority of this Section to any financing
7 authorized by this Section shall be published at least twice in the official journal
8 of East Baton Rouge Parish. For thirty days after the date of publication, any
9 person in interest may contest the legality of the ordinance or resolution and of
10 any provision therein made for the security and payment of the debt obligation
11 or the levy and collection of taxes. After that time, no one may file for any cause
12 of action to test the regularity, formality, legality, or effectiveness of the
13 ordinance or resolution, and provisions thereof for any cause whatever, except
14 for fraud. Thereafter, it shall be conclusively presumed that every legal
15 requirement for the levy and collection of taxes, the issuance of bonds or other
16 debt obligations, or the pledge of tax increment collected, including all things
17 pertaining to the authorizing thereof, has been complied with. No court shall
18 have authority to inquire into any of these matters after the thirty-day period
19 after publication unless a claim pursuant to this Section has been filed.

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

23 K. Severability. The provisions of this Section are severable. It is
24 intended that if any provision of this Section should be adjudged invalid or
25 unenforceable, then such provision shall be ineffective to the extent of such
26 invalidity or unenforceability without invalidating the remaining provisions of
27 this Section. Notwithstanding any provision of this Section to the contrary, if
28 any portion of a tax levied or tax increment pledged or dedicated pursuant to
29 this Section is held invalid, such invalidity shall not affect the validity of the
30 remaining portion of such tax or tax increment.

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

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____