
DIGEST

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Barrow

HB No. 697

Abstract: Reenacts an Act of the 2008 Regular Session to resolve a clerical error in the 2008 enactment. The 2008 Act provided relative to the East Baton Rouge Redevelopment Authority; it provided relative to the objects, purposes, powers, and duties of the authority.

HB _____ reenacts Act No. 891 of the 2008 R.S. due to a clerical error in that Act. HB _____ reenacts the Act exactly as it was passed by the legislature in 2008 to ensure its correct recitation in statutory compilations and to thwart any legal challenge to its constitutional soundness with respect to procedures for passage of laws.

Effective upon signature of governor or lapse of time for gubernatorial action. Has retroactive effect back to July 9, 2008. However, the report required by present law for the 2008 calendar year is due with the report for the 2009 calendar year on March 1, 2010.

The digest of Act No. 891 of the 2008 R.S. as it finally passed is as follows:

Present law creates and provides for the East Baton Rouge Redevelopment Authority to provide for the utilization of appropriate private and public resources to eliminate and prevent the development or spread of slum, blighted, and distressed areas. Provides that the authority is a special district and political subdivision of the state. Provides that the object of present law is to provide a unified and comprehensive response to the housing shortages and other indirect effects of Hurricanes Katrina and Rita upon south central La. Provides that the authority shall be comprised of the territory in the parish, including the territory comprising the municipalities of Baker, Baton Rouge, Central, and Zachary. Provides that the authority shall be activated and implemented by the parish governing authority recognizing and confirming the appointment of the initial five members of the board.

Proposed law provides that the authority shall have the following additional objects:

- (1) The general and economic welfare of the parish through housing, commercial, office, hospitality, recreation, education, infrastructure and utility capacity, manufacturing, industrial, research, retail, or other activities which will create or retain jobs, maintain or diversify industry, including new or emerging technologies, or maintain or increase the tax base.
- (2) The improvement of conditions of deteriorated physical development, slow economic

growth, and eroded financial health of the public and private sectors.

- (3) The control, abatement and prevention of pollution to protect public health and safety, and the development and use of indigenous and renewable energy resources.
- (4) Assistance to nonprofit and governmental entities in support of health, educational, charitable, community, cultural, agricultural, consumer, or other services benefitting the citizens.

Present law authorizes the authority in carrying out the provisions of present law to seek out cooperative endeavors with nonprofit and private enterprise. Proposed law provides that such cooperative endeavors include partnerships, joint ventures, and equity participation structures.

Present law requires the board to meet in regular session once each month. Proposed law removes this requirement and instead permits the board to meet in regular sessions once each month.

Proposed law, notwithstanding present law requiring meetings be open to the public, authorizes the board to meet in executive session regarding certain property transactions. Provides that public records laws shall not apply to any records related to the negotiations for such property transactions until 30 days prior to the date the board is scheduled to consummate a final sale or lease. Requires the board to give public notice of its intention to consummate a final sale or lease.

Present law provides that the authority has all powers necessary or convenient to carry out its objectives and purposes, including certain specified powers. Proposed law adds to such specified powers the authority to purchase property at a sale conducted pursuant to enforcement of certain judicial mortgages by tendering a bid of at least the minimum bid, which bid may be a credit bid in accordance with intergovernmental agreements between the authority and the political subdivision. Provides that such a bid shall be given priority over all other bids regardless of amount except for a higher bid submitted by a conventional mortgage holder holding a mortgage on the subject property.

Present law provides that its provisions are for the benefit of the people of the state and parish, thus the authority shall not be required to pay any taxes or assessments upon any property or the income therefrom. Proposed law additionally provides that the authority shall not pay any fees on property or income therefrom.

Present law authorizes the authority to purchase adjudicated properties within its territorial jurisdiction from any political subdivision of the state. Proposed law provides with respect to such authority and procedures for such purchases. Specifically authorizes the state and any political subdivision with liens on the property to, pursuant to intergovernmental agreements, cancel such liens. Authorizes the authority to tender a bid at a tax sale of at least the minimum bid, which bid may be a credit bid in accordance with intergovernmental agreements between the authority and the political subdivision. Provides that such a bid shall be given priority over all

other bids regardless of amount except for a higher bid submitted by a conventional mortgage holder holding a mortgage on the subject property.

Proposed law requires the authority to submit annual reports to the House Committee on Municipal, Parochial and Cultural Affairs and the Senate Committee on Local and Municipal Affairs and each member of the East Baton Rouge Parish legislative delegation concerning property purchased by the authority. Each report shall include: a legal description or other indication of the location of each property, the amount paid for each property, the minimum bid that was set for the property and the appraised value of the property, and a general description of the authority's plans for the property and how such plans advance the purposes for which the authority is created.

Proposed law adds an expedited procedure to enable the authority to more efficiently quiet title and initiate a foreclosure action regarding immovable property acquired by the authority. Provides as follows with respect to such procedure:

- (1) Requires the authority to file a notice with the clerk of court regarding the property and the pending action. Provides relative to the content of such notice. Provides for additional procedures if there is a deficiency in the notice. Requires the authority, if it has reason to believe that a property is contaminated, to notify the Dept. of Environmental Quality.
- (2) Requires the authority to initiate a records search to determine owners with interest in the property. Requires notice of the pending action be given to identified owners.
- (3) Authorizes the authority to file a single petition with the district court which lists all of the property subject to expedited foreclosure. Provides relative to the content of the petition and sets time limits for legal actions and decisions. Provides relative to notification to interested parties regarding the hearing on the petition, including posting a notice on each property. Requires the authority, if it is unable to provide the appropriate notice, to provide notice through publication for three consecutive weeks prior to the hearing on the matter in a newspaper published and circulated in East Baton Rouge Parish. Requires filing proof of notice with the clerk of court. Requires any person who has an interest in a parcel of property to file written objections with the clerk and serve those objections on the authority prior to the hearing. Requires the district court to enter judgment on the petition not more than 10 days following the conclusion of the hearing or contested case.
- (4) Provides that except as otherwise provided in new law, title to property set forth in a petition for foreclosure shall vest absolutely in the authority upon the effective date of the judgment. Provides that the authority shall have absolute title to the property, and the title is not subject to any recorded or unrecorded lien, except as otherwise provided in new law and shall not be stayed or held invalid except as otherwise provided in new law. Provides that a judgment is a final order with respect to the property affected by the judgment and shall not be modified, stayed, or held invalid after the effective date of the

judgment, except as otherwise provided in new law.

- (5) Authorizes a person with an interest in the foreclosed property to appeal the district court's order or judgment. Provides relative to such appeals including time limits and deadlines. Provides that an appeal is limited to the record of the proceedings in the district court. Provides that the district court's judgment foreclosing property shall be stayed until the court of appeals has reversed, modified, or affirmed that judgment, but the stay applies only to the property that is subject of the appeal. Requires a person appealing the judgment to pay to the authority any taxes, interest, penalties, and fees due on the property. Provides that such amounts or portions thereof shall be refunded if appropriate under the final determination.