

2023 Regular Session

HOUSE BILL NO. 335

BY REPRESENTATIVE WILFORD CARTER

ECONOMIC DEVELOPMENT: Creates the North Lake Charles Economic Development District

1 AN ACT

2 To enact R.S. 33:2740.70.3, relative to the city of Lake Charles; to create the North Lake  
3 Charles Economic Development District; to provide relative to the boundaries,  
4 purpose, governance, and powers and duties of the district; to provide relative to  
5 district funding; and to provide for related matters.

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

9 Be it enacted by the Legislature of Louisiana:

10 §2740.70.3. North Lake Charles Economic Development District

11 A.(1) There is hereby created in the city of Lake Charles a body politic and  
12 corporate which shall exist in perpetuity and shall be known as the North Lake  
13 Charles Economic Development District, referred to in this Section as the "district".

14 (2) The district shall be a special district created pursuant to Article VI,  
15 Section 19 of the Constitution of Louisiana and political subdivision of the state as  
16 defined in Article VI, Section 44 of the Constitution of Louisiana. The district,  
17 acting through its governing board, is hereby granted all of the rights, powers,  
18 privileges, and immunities accorded by the laws and the Constitution of Louisiana  
19 to political subdivisions of the state, subject to the limitations provided in this  
20 Section.

1           B. The boundaries of the district shall encompass all of the territory included  
2           within the following perimeter: Commencing at the point where Kayouche Coolie  
3           intersects with English Bayou thence westward along the southern banks of the  
4           English Bayou until the English Bayou intersects with the Calcasieu River westward  
5           along the southern banks of Calcasieu River to a point on Calcasieu River southern  
6           banks where if Kirkman St. were extended northward it would intersect with  
7           Calcasieu River thence southward along Kirkman Street to 12th Street thence east  
8           along 12th Street to a point where if 12th Street were extended eastward it would  
9           intersect with Kayouche Coolie thence north following Kayouche Coolie to the point  
10           of commencement.

11           C.(1) The district shall be governed by a seven-member board of  
12           commissioners, referred to in this Section as the "board". The board shall provide  
13           for the orderly planning, development, acquisition, construction, and effectuation of  
14           the services, improvements, and facilities to be furnished by the district, to provide  
15           for the representation in the affairs of the district of those persons and interests  
16           immediately concerned with and affected by the purposes and development of the  
17           district and shall exercise such other powers, duties, and functions as provided in this  
18           Section.

19           (2) The members of the board shall be residents and qualified voters of the  
20           district. The board membership shall be reflective of the city's diverse population.  
21           The seven members shall be appointed as follows:

22           (a) The Lake Charles City Council shall appoint one member.

23           (b) The state representative for the House of Representatives district which  
24           encompasses all or the greater portion of the area of the district shall appoint one  
25           member.

26           (c) The state senator for the Senate district which encompasses all or the  
27           greater portion of the area of the district shall appoint one member.

1           (d) The governing board of the Louisiana Chamber of Commerce  
2           Foundation, also known as the "Louisiana Black Chamber of Commerce", "the Lake  
3           Charles Branch", shall appoint one member.

4           (e) The members of the governing authority of Calcasieu Parish who  
5           represent District Nos. 2, 3, 4, and 9 shall jointly appoint one member upon approval  
6           of three of the four members.

7           (f) The mayor of the city of Lake Charles shall appoint one member, subject  
8           to the approval of the governing authority of the city.

9           (g) The governing board of the Chamber of Commerce Southwest Louisiana  
10           shall appoint one member.

11           (3)(a) Members shall serve three-year terms after serving initial terms as  
12           provided in this Subparagraph. Two members shall serve three-year initial terms,  
13           two members shall serve two-year initial terms, and one member shall serve a one-  
14           year initial term as determined by lot at the first meeting of the board.

15           (b) Any vacancy which occurs prior to the expiration of the term for which  
16           a member of the board has been appointed shall be filled by appointment in the same  
17           manner as the original appointment for the unexpired term.

18           D.(1) As soon as practical after appointment of all members, the board shall  
19           meet. The board shall elect from its number a chairman, vice chairman, a secretary,  
20           a treasurer, and such other officers as it may deem appropriate.

21           (2) The minute books and archives of the board shall be maintained by the  
22           board's secretary with the help and assistance of and through the council's office.  
23           The monies, funds, and accounts of the district in the official custody and control of  
24           the board's treasurer shall be deposited, expended, and accounted for, records  
25           maintained, and idle funds invested through the department of administration, under  
26           the director of administration, and checks issued through the department as in the  
27           case of city monies under the plan of government. An attorney appointed by the  
28           mayor shall serve as the board's regular attorney, and the services of other offices

1 and departments of the city shall be furnished in accordance with Subsection G of  
2 this Section.

3 (3) The duties of the officers shall be fixed by bylaws adopted by the board.  
4 The board shall adopt such rules and regulations as it deems necessary or advisable  
5 for conducting its business and affairs and, to the extent that funds are available,  
6 shall hire such assistants and employees as are needed to assist the board in the  
7 performance of its duties. It shall hold regular meetings as shall be provided in the  
8 bylaws and may hold special meetings at such time and places within or without the  
9 district as may be prescribed in the bylaws.

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

13 (5) The members of the board shall serve without compensation; however,  
14 they shall receive a travel allowance as reimbursement for expenses incurred while  
15 attending to the business of the board or the district.

16 E.(1) The board shall prepare or cause to be prepared a plan or plans  
17 specifying the public improvements, facilities, and services proposed to be furnished,  
18 constructed, or acquired for the district and shall conduct such public hearings,  
19 publish such notice with respect thereto, and disseminate such information as it, in  
20 the exercise of its sound discretion, may deem to be appropriate or advisable and in  
21 the public interest.

22 (2) Any plan may specify and encompass any public services, capital  
23 improvements, and facilities which the city of Lake Charles is authorized to  
24 undertake, furnish, or provide under the constitution and laws of the state of  
25 Louisiana, and such specified public services, improvements, and facilities shall be  
26 special and in addition to all services, improvements, and facilities which the city of  
27 Lake Charles is then furnishing or providing or may then or in the future be obligated  
28 to furnish or provide within the district.

1           (3) Any plan shall include an estimate of the annual and total cost of  
2           acquiring, constructing, or providing the services, improvements, or facilities set  
3           forth therein.

4           (4) The board shall also submit the plan to the city planning commission.  
5           The planning commission shall review the plan and determine whether or not it is  
6           consistent with the comprehensive plan for the city of Lake Charles. The planning  
7           commission, within thirty days following receipt of the plan, shall submit to the Lake  
8           Charles City Council its written opinion as to whether or not the plan or any portion  
9           or detail thereof is inconsistent with the comprehensive plan for the city, together  
10          with its written comments and recommendations with respect thereto.

11          (5) After receipt of the plan together with the written comments and  
12          recommendations of the city planning commission, the Lake Charles City Council  
13          shall review and consider the plan together with the written comments and  
14          recommendations. The Lake Charles City Council, within thirty days following the  
15          receipt of the plan, shall submit a written recommendation to the board as to whether  
16          the board should approve the plan. After receipt of the written recommendation, the  
17          board shall review and consider the recommendation. The board may adopt or reject  
18          any such recommendation.

19          F.(1)(a) Notwithstanding the provisions of Subsection E of this Section, the  
20          board may prepare and submit directly to the Lake Charles City Council a plan or  
21          plans setting forth its intention to employ professional consultants, experts, and such  
22          other advisors and personnel as it deems necessary or convenient to assist in the  
23          preparation of a plan or plans for the orderly and efficient development of services  
24          and improvements within the district.

25          (b) The plan shall specify the services proposed to be rendered by such  
26          employees, an estimate of the aggregate of the proposed salaries of such employees,  
27          and an estimate of the other expenses of the board required for the preparation of  
28          such plan or plans.

1           (2) The Lake Charles City Council shall review and consider such plan. The  
 2           Lake Charles City Council, within thirty days following the receipt of the plan, shall  
 3           submit a written recommendation to the board as to whether the board should  
 4           approve the plan. After receipt of the written recommendation, the board shall  
 5           review and consider the recommendation. The board may adopt or reject any such  
 6           recommendation.

7           G.(1) All services to be furnished within the district pursuant to any plan  
 8           finally and conclusively adopted shall be furnished, supplied, and administered by  
 9           the city through its regularly constituted departments, agencies, boards,  
 10           commissions, and instrumentalities. All capital improvements and facilities to be  
 11           acquired, constructed, or provided within the district, whether from the proceeds of  
 12           bonds or otherwise, shall likewise be so acquired, constructed, or provided by the  
 13           city through its regularly constituted departments, agencies, boards, commissions,  
 14           and instrumentalities, it being the intention hereof to avoid the duplication of  
 15           administrative and management efforts and expense in the implementation of any  
 16           plan adopted for the benefit of the district.

17           (2) In order to provide such services and provide, construct, or acquire such  
 18           capital improvements or facilities, the board may enter into intergovernmental local  
 19           service contracts with the city.

20           H. The district may acquire, lease, insure, and sell real property within its  
 21           boundaries in accordance with its plans.

22           I. The district, acting by and through its board of commissioners, shall have  
 23           and exercise all powers of a political subdivision necessary or convenient for the  
 24           carrying out of its objects and purposes, including but not limited to rights and  
 25           powers set out in this Subsection:

- 26           (1) To sue and be sued.
- 27           (2) To adopt, use, and alter at will a corporate seal.
- 28           (3) To acquire by gift, grant, purchase, lease, or otherwise, all property,  
 29           including servitudes or rights of way; to hold and use any franchise or property,

1        immovable, movable, or mixed, corporeal or incorporeal, or any interest therein,  
2        necessary or desirable for carrying out the objectives and purposes of the district,  
3        including but not limited to the establishment, maintenance, and operation of  
4        industrial or commercial parks.

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

8                (5) To enter into contracts for the purchase, acquisition, construction,  
9        maintenance, and improvement of works and facilities necessary in connection with  
10       the purposes of the district.

11               (6) To require and issue licenses with respect to its properties and facilities.

12               (7) To regulate the imposition of fees and rentals charged by the district for  
13       its facilities and for services rendered by it.

14               (8) To mortgage properties constructed or acquired and to borrow money and  
15       pledge all or part of its revenues, leases, rents, or other advantages as security for  
16       such loans.

17               (9) To sell immovable property owned by the commission after legal notice  
18       as provided by law for the judicial sale of immovable property.

19               (10) To appoint officers, agents, and employees, prescribe their duties, and  
20       fix their compensation.

21               (11) To contract, upon such terms as it may agree upon, for legal, financial,  
22       engineering, and other professional services necessary or expedient in the conduct  
23       of its affairs.

24               (12) To utilize the services of the executive departments of the state upon  
25       mutually agreeable terms and conditions.

26               (13) To adopt bylaws for the regulation of its affairs and the conduct of its  
27       business.

28               (14) To do any and all things necessary or proper for the government,  
29       regulation, development, and control of the business of the board of commissioners.

1           J. (1) In addition to the authority provided to the district by this Section, the  
2           district may levy and collect a sales and use tax within the boundaries of the district  
3           not to exceed one percent.

4           (2) The tax shall be imposed by resolution of the board and shall be levied  
5           upon the sale at retail, the use, the lease or rental, the consumption, the distribution,  
6           and storage for use or consumption of tangible personal property, and upon the sales  
7           of services within the boundaries of the district, all as defined in R.S. 47:301 et seq.  
8           However, the resolution imposing the tax shall be adopted only after the proposed  
9           tax is approved by the Lake Charles City Council and by a majority of the qualified  
10           electors voting on the proposition at an election held for that purpose and conducted  
11           in accordance with the Louisiana Election Code. The purpose and rate of the tax  
12           shall be as provided in the resolution.

13           (3) Except where inapplicable, the procedure established by R.S. 47:301 et  
14           seq. shall be followed in the imposition, collection, and enforcement of the tax, and  
15           procedural details necessary to supplement those Sections and to make them  
16           applicable to the tax authorized in this Subsection shall be fixed in the resolution  
17           imposing the tax.

18           (4) The tax shall be imposed and collected uniformly throughout the  
19           jurisdiction of the district.

20           (5) The tax levied pursuant to this Subsection shall be in addition to all other  
21           taxes other political subdivisions within the jurisdiction of the district are authorized  
22           to levy and collect.

23           (6) The district shall have no other power of taxation, except as provided in  
24           this Subsection.

25           K.(1) In addition to any authority provided to the district in this Section, the  
26           district may levy and collect a hotel occupancy tax within the district on  
27           developments constructed on and after August 1, 2023, which shall be in lieu of  
28           other such taxes levied by other taxing authorities within the district. The funds shall  
29           be pledged to and used to pay revenue bonds issued by the district or for any other



1 financing of the property of a project, including, but not limited to, loans, mortgages,  
2 bonds, or certificates of indebtedness.

3 (2)(a) The term "hotel" means any establishment engaged in the business of  
4 furnishing or providing rooms intended or designed for dwelling, lodging, or  
5 sleeping purposes to transient guests where such establishment consists of ten or  
6 more guest rooms but does not include overnight camping facilities, bed and  
7 breakfasts, or short-term rentals. In addition, the term "hotel" does not include any  
8 hospital, convalescent or nursing home or sanitarium, or any hotel-like facility  
9 operated by or in connection with a hospital or medical clinic providing rooms  
10 exclusively for patients and their families.

11 (b) The term "short-term rentals" as used in this Subsection shall mean and  
12 include the rental of all or any portion of a residential dwelling unit for dwelling,  
13 lodging, or sleeping purposes to one party with a duration of occupancy of less than  
14 thirty consecutive days.

15 (2) The tax shall be imposed by resolution of the board and shall be adopted  
16 only after the question of the imposition of the hotel occupancy tax has been  
17 approved by the Lake Charles City Council and by a majority of the qualified  
18 electors voting on the proposition at an election held for that purpose and conducted  
19 in accordance with the Louisiana Election Code. The purpose and rate of the tax  
20 shall be provided in the resolution.

21 L.(1)(a) In addition to any authority provided to the district by this Section,  
22 the district shall have the authority provided to an economic development district by  
23 Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950 to  
24 implement tax increment financing and may issue revenue bonds payable from an  
25 irrevocable pledge and dedication of up to the full amount of tax increments  
26 available to an economic development district as provided in this Section and in such  
27 Part to be derived from any project or projects of the district as provided for in this  
28 Section, or parts of such projects, in an amount to be determined as provided for in

1        this Section, in order to finance or refinance any project or projects, or parts thereof,  
2        which are consistent with the purposes of the district.

3                (b) Notwithstanding any provision of law to the contrary, any portion of the  
4        tax of any local governmental subdivision or other tax recipient body may only be  
5        used as a tax increment for tax increment finance purposes with the consent of such  
6        local governmental subdivision or other tax recipient body expressed by ordinance  
7        or resolution and upon approval of a majority of the qualified electors of the city of  
8        Lake Charles voting at an election to be conducted in accordance with the general  
9        election laws of the state of Louisiana.

10               (2) For purposes of the tax increment financing authority derived from Part  
11        II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950 which is  
12        conferred upon the district by this Section, and only for purposes of this Section,  
13        "local governmental subdivision" as defined in such Part shall include the parish of  
14        Calcasieu and all political subdivisions within the parish.

15               (3) For purposes of this Section, a tax increment shall consist of that portion  
16        of any tax levied within the district by a local governmental subdivision or other tax  
17        recipient body determined and pledged in the manner provided for in Part II of  
18        Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950. A tax increment  
19        shall also consist of that portion of the hotel occupancy tax levied by the district  
20        determined and pledged in the manner provided for in Part II of Chapter 27 of Title  
21        33 of the Louisiana Revised Statutes of 1950. However, a tax increment shall not  
22        consist of any portion of a hotel tax levied on a development constructed prior to  
23        August 1, 2023. If the proceeds of any tax have been expressly dedicated to another  
24        purpose set forth in a proposition approved by the electorate of such local  
25        governmental subdivision or other tax recipient body, then the tax proceeds shall not  
26        be used as a tax increment until a proposition which authorizes such use is submitted  
27        to and approved by such electorate.

28               M. The district shall dissolve and cease to exist one year after the date all  
29        bonds, notes, and other evidences of indebtedness of the district, including refunding  
30        bonds, are paid in full as to both principal and interest; however, in no event shall the

1 district have an existence of less than three years from the effective date of this  
 2 Section.

3 N. This Section, being necessary for the welfare of the city and its residents,  
 4 shall be liberally construed to effect the purposes thereof.

#### 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)]

HB 335 Engrossed

2023 Regular Session

Wilford Carter

**Abstract:** Creates the North Lake Charles Economic Development District.

Proposed law creates the North Lake Charles Economic Development District as a political subdivision of the state. Provides for district boundaries.

Proposed law specifies the composition and powers of the board responsible for managing the affairs of the district. Provides that a seven-member board shall be appointed as follows:

- (1) One member appointed by the Lake Charles City Council.
- (2) One member appointed by the state representative for the House of Representatives district which encompasses all or the greater portion of the area of the district.
- (3) One member appointed by the state senator for the Senate district which encompasses all or the greater portion of the area of the district.
- (4) One member appointed by the governing board of the La. Chamber of Commerce Foundation, also known as the "La. Black Chamber of Commerce", "Lake Charles Branch".
- (5) One member appointed jointly by the members of the governing authority of Calcasieu Parish who represent Dist. Nos. 2, 3, 4, and 5, upon approval of three of the four members.
- (6) One member appointed by the mayor of the city of Lake Charles.
- (7) One member appointed by the governing board of the Chamber of Commerce Southwest Louisiana.

Provides that members serve three-year staggered terms.

Proposed law requires the board to prepare a plan(s) specifying public improvements, facilities, and services proposed to be furnished, constructed, or acquired which shall be improvements, facilities, and services, which the city is authorized to undertake, furnish, or provide.

Proposed law requires the board to conduct hearings and disseminate information as it deems appropriate or advisable. Provides that any plan developed by the board shall include an estimate of the annual and total cost of acquiring, constructing, or providing the services, improvements, or facilities.

Proposed law requires that the board submit the plan to the city planning commission which shall review it for consistency with the comprehensive plan for the city. Requires that the planning commission submit an opinion on the plan to the city council. Requires the council, within 30 days of receipt, to give a written recommendation to the board as to whether the board should approve the plan. Requires the board to review the recommendation, but authorizes the board to approve or reject the recommendation.

Proposed law further provides for development of a plan regarding the employment of professional consultations, experts, and advisors. Requires that the services of the district be undertaken through the city's departments and agencies. Authorizes the board to submit the plan directly to the city council. Requires the council, within 30 days of receipt, to give a written recommendation to the board as to whether the board should approve the plan. Requires the board to review the recommendation, but authorizes the board to approve or reject the recommendation.

Proposed law provides relative to the powers and duties of the district, including but not limited to the following:

- (1) To sue and be sued.
- (2) To adopt, use, and alter at will a corporate seal.
- (3) To acquire by gift, grant, purchase, lease, or otherwise, all property, including servitudes or rights of way.
- (4) To receive by gift, grant, donation, or otherwise any sum of money, or property, aid, or assistance from the U.S., the state of La., or any political subdivision thereof, or any person, firm, or corporation.
- (5) To enter into contracts for the purchase, acquisition, construction, maintenance, and improvement of works and facilities necessary in connection with the purposes of the district.
- (6) To require and issue licenses with respect to its properties and facilities.
- (7) To regulate the imposition of fees and rentals charged by the district for its facilities and for services rendered by it.
- (8) To appoint officers, agents, and employees, prescribe their duties, and fix their compensation.

Proposed law authorizes the district to levy a hotel occupancy tax on developments constructed after Aug. 1, 2023, subject to voter approval, and subject to the approval of the Lake Charles City Council. Requires that tax proceeds be pledged to and used to pay revenue bonds issued by the district and for other financing purposes.

Proposed law authorizes the district to levy a sales and use tax, subject to voter approval, and subject to the approval of the Lake Charles City Council. Provides that the tax rate shall not to exceed 1%.

Proposed law specifically empowers the district to issue revenue bonds payable from an irrevocable pledge and dedication of up to the full amount of "tax increments" available to an economic development district as provided in proposed law and present law (Part II of Chapter 27 of Title 33) which is derived from any project or projects of the district.

Proposed law specifies that a "tax increment" consists of that portion of any tax levied within the district by a local governmental subdivision or other tax recipient body determined and pledged in the manner provided for in present law (Part II of Chapter 27 of Title 33). Additionally specifies that a "tax increment" consists of that portion of the hotel occupancy

tax levied by the district determined and pledged in the manner provided for in present law (Part II of Chapter 27 of Title 33). However, a "tax increment" shall not consist of any portion of a hotel tax levied on a development constructed prior to Aug. 1, 2023. Provides that if the proceeds of any tax have been expressly dedicated to another purpose set forth in a proposition approved by the electorate of the local governmental subdivision or other tax recipient body, then the tax proceeds shall not be used as a tax increment until a proposition which authorizes such use is submitted to and approved by the electorate.

(Adds R.S. 33:2740.70.3)

Summary of Amendments Adopted by House

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

1. Authorize the district to levy a hotel occupancy tax on developments constructed after Aug. 1, 2023, subject to voter approval, and the approval of the Lake Charles City Council. Add requirement that tax funds be pledged to and used to pay revenue bonds issued by the district and for other financing purposes.
2. Add provisions to provide that a "tax increment" also consists of any portion of a hotel occupancy tax levied by the district, and other local governmental subdivisions or other tax recipient bodies on developments constructed after Aug. 1, 2023.