

SENATE BILL NO. 475

BY SENATOR BARROW

1 AN ACT

2 To enact R.S. 33:9038.74, relative to cooperative and economic development in East Baton  
3 Rouge Parish; to create the Baker Main Street Economic 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. 33:9038.74 is hereby enacted to read as follows:

13 **§9038.74. Baker Main Street Economic 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 Baker Main Street**  
16 **Economic 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**  
20 **Constitution of Louisiana to political subdivisions of the state, subject to the**  
21 **limitations provided in this Section.**

22 **B. Boundaries. The boundaries of the district shall consist of the**  
23 **following area:**

24 **Beginning at the intersection of Lavey Lane/South Magnolia**  
25 **Drive on Hwy 19 (Main Street), then traveling North. Lot CVS, Resub**

1 of Lots 8-10, 11A, 11B & A port of Lots 1-7, SQ 17 Baker Townsite  
 2 Resub 2012. All of Main Street to its intersection with the northern most  
 3 corporate line of Baker; encompassing all commercial properties located  
 4 on Hwy 19 (Main Street) and extends to end at C-4-B-1 Resub of tract  
 5 C-4 of the Winder K.Dunbar property. Resub.1989. Note: Sale Reads  
 6 Baker Regional Shopping Center. (Subway)

7 C. Purpose. The state hereby acknowledges that the redevelopment of  
 8 the property within the district is an important element of the continued  
 9 revitalization and economic development of the city-parish. The district is  
 10 created to provide for cooperative economic development among the district,  
 11 Baker, the state, and the owners of property in the district, in order to assist in  
 12 the redevelopment of, and dramatic improvement to, the property within the  
 13 boundaries of the district and for the purpose of promoting trade, commerce,  
 14 industry, and employment opportunities in the city of Baker's Central Business  
 15 District.

16 D. Governance. (1) In order to provide for the orderly development of  
 17 the district and effectuation of the purposes of the district, the district shall be  
 18 administered and governed by a board of commissioners, referred to in this  
 19 Section as the "board", comprised of seven persons as follows:

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

21 (b) The mayor of the city of Baker shall appoint one member, from a list  
 22 of nominees submitted by the Baker City Council.

23 (c) The Baker City Council shall appoint one member who is elected to  
 24 the city council.

25 (d) The member of the Louisiana Senate whose district encompasses all  
 26 or the greater portion of the area of the district shall appoint one member.

27 (e) The member of the Louisiana House of Representatives whose district  
 28 encompasses all or the greater portion of the area of the district shall appoint  
 29 one member.

30 (f) The board of directors of the Baker Chamber of Commerce shall

1 appoint one member who is serving or has served as president of the chamber's  
2 board.

3 (g) The city of Baker School Board shall appoint one member from a list  
4 of nominees submitted to the school board.

5 (2) All members of the board shall own property or have a principal  
6 place of business or profession within the city of Baker.

7 (3)(a) The commissioners appointed shall serve for three years. At the  
8 expiration of the term of office, the successors shall be appointed in the same  
9 manner as the predecessor appointees were selected.

10 (b) A vacancy that occurs prior to the expiration of a term shall be filled  
11 for the remainder of the unexpired term in the same manner as the predecessor  
12 appointee was selected.

13 (4) All the members of the board shall constitute a quorum for the  
14 transaction of business. The board shall keep minutes of all meetings and shall  
15 make them available for inspection through the board's secretary. The minute  
16 books and archives of the district shall be maintained by the board's secretary.  
17 The monies, funds, and accounts of the district shall be in the official custody  
18 and control of the board of commissioners. The board's treasurer shall maintain  
19 adequate accounting records and assure all monies are deposited, expended,  
20 and accounted for in accordance with the bylaws.

21 (5) The board shall adopt bylaws and prescribe rules to govern its  
22 meetings. The members of the board shall serve without salary or per diem and  
23 shall be entitled to reimbursement for reasonable, actual, and necessary  
24 expenses incurred in the performance of their duties.

25 (6) The domicile of the board shall be established by the board at a  
26 location within the district.

27 (7) The board shall elect from its own members a president, vice  
28 president, secretary, treasurer, and parliamentarian, whose duties shall be  
29 common to such offices or as may be provided by bylaws adopted by the  
30 district. The board shall hold regular meetings and may hold special meetings

1 as provided in the bylaws. The failure of the board to hold any regular meeting  
2 shall not impair any existing obligations of the district. All such meetings shall  
3 be public meetings subject to the provisions of R.S. 42:11 et seq.

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

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

11 (1) To sue and to be sued.

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

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

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

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

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

27 (7) In its own name and on its own behalf to incur debt and to issue  
28 bonds, notes, certificates, and other evidences of indebtedness, and in the event  
29 the district elects to issue bonds pursuant to the authority under this Section,  
30 then the district shall be deemed and considered to be an issuer for purposes of

1 R.S. 33:9037, and shall, to the extent not in conflict with this Section, be subject  
2 to the provisions of R.S. 33:9037.

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

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

6 (10) To pledge the district tax collections and other funds and property  
7 as security for the financing or refinancing of any costs incurred or to be  
8 incurred in connection with any project or projects, or parts thereof, within the  
9 boundaries of the district.

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

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

23 (13) To levy sales taxes, or hotel occupancy taxes within the district or  
24 any combination of such taxes, above and in addition to any other sales taxes,  
25 or hotel occupancy taxes, or combination of such taxes, then in existence or  
26 permitted to be in existence within the district, in an amount as may be  
27 determined by the board with the approved written consent of the owners of  
28 immovable property in the district, all in addition to the powers authorized  
29 pursuant to Paragraph (12) of this Subsection and pursuant to R.S. 33:9038.39,  
30 subject to the limitations and prohibitions of the Louisiana Constitution.

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

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

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

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

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

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

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

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

28                    (5) The taxes authorized in this Section shall be imposed by ordinance  
29                    adopted by the district, acting by and through its board, with the need of an  
30                    election.

1           (6) It is hereby recognized that there are currently no hotel occupancy  
2           or sales taxes generated at the property within the district. Accordingly, if the  
3           district elects to levy and collect any of the taxes authorized in this Section, such  
4           levy shall be deemed to supersede and be in lieu of only such other taxes on  
5           hotel occupancy and sales that, without the authority of this Section, would  
6           otherwise be levied within the district, do not secure bonds that have been  
7           authorized, that have not been dedicated by other law or by proposition  
8           approved by electors voting in an election for such purpose, and that are not  
9           based on a per-head or per-person basis. Additionally, if, during the term of the  
10           district, such other taxes on hotel occupancy or sales within the district that are  
11           currently not available for use for tax increment financing purposes should  
12           subsequently cease to be authorized to secure bonds, cease to secure bonds that  
13           have been authorized, or cease to be dedicated by other law or by proposition  
14           approved by electors voting in an election for such purpose, and thus, become  
15           available for the use of the financing purposes pursuant to this Section, then  
16           such levy shall at such time be deemed to supersede and be in lieu of such other  
17           taxes on hotel occupancy or sales within the district and shall be available for  
18           use for the purposes of the district; however, if the district elects to levy and  
19           collect any of the taxes authorized in this Section, such levy shall not be deemed  
20           to supersede or be in lieu of the occupancy tax authorized by R.S.  
21           33:4574.1.1(A)(6) relating to Visit Baton Rouge regardless of whether such  
22           occupancy tax is pledged or dedicated to secure debt or bonds that have been  
23           authorized and the proceeds of the avails of the occupancy taxes authorized in  
24           R.S. 33:4574.1.1(A)(6) shall be dispersed and used for the purposes set forth  
25           therein and as further provided in R.S. 33:4574.1.1(L).

26           G. Tax financing. (1)(a) The district may issue revenue bonds, in one or  
27           more series, payable from an irrevocable pledge and dedication of up to the full  
28           amount of the district's hotel occupancy and sales tax increments and other  
29           district revenues, leases, gifts, proceeds, rents, or other advantages as  
30           authorized by this Section, in an amount to be determined by the district, to

1 secure any financing or multiple refinancings of any costs incurred or to be  
2 incurred in connection with any project or projects, or parts thereof, within the  
3 boundaries of the district. Additionally, without the necessity of issuing revenue  
4 bonds, the district may pledge up to the full amount of the district's hotel  
5 occupancy and sales tax increments and other district revenues, leases, gifts,  
6 proceeds, rents, or other advantages received or collected under the authority  
7 of this Section to any financing or multiple refinancings of any costs incurred  
8 or to be incurred in connection with any project or projects, or parts thereof,  
9 within the boundaries of the district in furtherance of the purposes of the  
10 district. Such financing may include but shall not be limited to any loan or  
11 loans, mortgages, the issuance of bonds, or the issuance of certificates of  
12 indebtedness. For each of the designated nonvoter elected, pledged or dedicated  
13 hotel occupancy taxes and sales taxes collected within the district, a tax  
14 increment shall consist of that portion of the aggregate of such tax revenues  
15 collected by the district each year which exceeds the amount of such taxes that  
16 were collected in the year immediately prior to the year in which the district  
17 was established.

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

22 (2) Any instruments or obligations of the district may be validly  
23 executed, issued, sold, and delivered, notwithstanding that one or more of the  
24 officers of the board signing such instruments or obligations, or whose facsimile  
25 signature or signatures may be on the instruments or obligations, shall have  
26 ceased to be such officer of the board at the time such instruments or  
27 obligations shall actually have been delivered.

28 (3) Any cost, obligation, or expense incurred for any of the purposes or  
29 powers of the district specified in this Section shall be a part of the project costs  
30 and may be paid or reimbursed as such out of the proceeds of bonds, tax



1 increments, property or other obligations of, pledged or issued by the district.

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

5 H. Term. The district shall dissolve and cease to exist one year after the  
6 date on which all loans, bonds, notes, and other evidences of indebtedness  
7 secured, in whole or in part, by district taxes or property are paid in full as to  
8 both principal and interest; however, under no event shall the district have an  
9 existence of more than thirty years from the date on which the taxes authorized  
10 pursuant to this Section are first levied and collected.

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

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

1                    **K. Severability. The provisions of this Section are severable. It is**  
2                    **intended that if any provision of this Section should be adjudged invalid or**  
3                    **unenforceable, then such provision shall be ineffective to the extent of such**  
4                    **invalidity or unenforceability without invalidating the remaining provisions of**  
5                    **this Section. Notwithstanding any provision of this Section to the contrary, if**  
6                    **any portion of a tax levied or tax increment pledged or dedicated pursuant to**  
7                    **this Section is held invalid, such invalidity shall not affect the validity of the**  
8                    **remaining portion of such tax or tax increment.**

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_