DIGEST

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Lorusso HB No. 161

Abstract: Creates the Lake Area Taxing District in Orleans Parish 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 Orleans Parish 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 an 11-member board of commissioners. Provides that the board shall be composed as follows:

(1) Three members appointed by the member(s) of the La. House of Representatives who represent the area that comprises the district.

(2) Three members appointed by the member(s) of the La. Senate who represent the area that comprises the district.

(3) Three members appointed by the member(s) of the governing authority of the city of New Orleans who represent the area that comprises the district.

(4) Two members appointed by the mayor of the city of New Orleans.

Proposed law requires members to be residents and qualified voters of the district. Provides that the terms of members shall be concurrent with the appointing authority. Provides that notwithstanding present law, upon expiration of a member's term, the position is immediately vacant. Provides that members serve without compensation and reimbursement of expenses.

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 public and private entities and persons.

(5) To appoint officers, agents, and employees, to contract with consultants, developers, and planners, and to appoint or hire an executive director. Provides for written delegation of board authority to employees, consultants, and executive director.

(6) To acquire property.

(7) 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, provides that the district shall not have an existence of less than three years nor more than 10 years.

Proposed law authorizes the district to implement sales tax increment financing, subject to prior approval of the governing authority of the city of New Orleans. Specifically grants the district tax increment financing authority provided in present law (R.S. 33:9038.34) relative to sales tax increment financing. Prohibits the dedication of state sales tax increments to pay the revenue bonds of a district project.

Proposed law requires the board to designate the boundaries of a sales tax area and to designate the local sales taxes that are to be used in determining the sales tax increments and the initial monthly baseline collection rate and annual 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 city of New Orleans most recently completed prior to the establishment of the sales tax area. (The monthly rate is determined by dividing the annual rate by 12.)

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 the city of New Orleans. The certification shall be published one time in the official journal of the city.

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.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 33:9038.65)