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## DIGEST

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Wesley Bishop

HB No. 145

**Abstract:** Creates the North Kenilworth Improvement and Security District in Orleans Parish for the purpose of promoting and encouraging the beautification, security, and overall betterment of the district. Provides for a board of commissioners and for the imposition and use of a parcel fee.

Proposed law creates the North Kenilworth Improvement and Security District in Orleans Parish as a political subdivision of the state for the purpose of promoting and encouraging the beautification, security, and overall betterment of the district. Provides for district boundaries and that the district is governed by a board of nine commissioners, all of whom shall be residents and qualified voters of the district, composed as follows:

- (1) The president of North Kenilworth Homeowners Association (association).
- (2) Four members appointed by the association's governing board.
- (3) One member appointed by the mayor of the city of New Orleans.
- (4) One member appointed by the member of the La. House of Representatives whose district encompasses all or the greater portion of the district's area.
- (5) One member appointed by the member of the La. Senate whose district encompasses all or the greater portion of the district's area.
- (6) One member appointed by the member of the New Orleans City Council whose district encompasses all or the greater portion of the district's area.

Proposed law provides that appointments by elected officials are made from nominations made by the association. Provides that appointed members shall serve staggered four-year terms. Provides that the president of the association board shall serve during his term of office. Provides that vacancies shall be filled in the same manner as the original appointment and that members shall serve without compensation.

Proposed law authorizes the board to select from its members a president and other officers whose duties shall be fixed by the board's bylaws. Provides for district powers including the following:

- (1) To sue and be sued.
- (2) To adopt, use, and alter at will a corporate seal.
- (3) To receive and expend funds collected pursuant to proposed law and in accordance with a budget adopted as provided by proposed law.
- (4) To enter into contracts with individuals or entities, private or public.
- (5) To provide security patrols and other improvements.
- (6) To purchase items and supplies instrumental to achieving the district's purpose.
- (7) To perform or have performed any other function or activity necessary for achieving the district's purpose.

Proposed law authorizes the New Orleans City Council to impose and collect a parcel fee within the district, subject to voter approval, which amount shall be as requested by duly adopted board resolution. Provides that the fee shall be a flat fee per parcel and shall not exceed \$500 per year. Defines a parcel as a lot, a subdivided portion of ground, an individual tract, or a condominium parcel as defined in present law (R.S. 9:1121.103).

Proposed law provides that the amount of the fee may be changed by duly adopted board resolution, not to exceed the maximum amount authorized by proposed law. Provides that the fee shall expire eight years from its initial levy, but may be renewed, subject to voter approval, and that if renewed, the term of the imposition of the fee shall be as provided in the proposition authorizing renewal, not to exceed eight years.

Proposed law requires that the fee be collected in the same manner and at the same time as ad valorem taxes and that any unpaid fee be added to the city tax rolls and enforced with the same authority and subject to the same penalties and procedures as unpaid ad valorem taxes. Proposed law requires that the fee be used solely and exclusively for the district's purpose and benefit. Authorizes the city to retain 1% of the amount collected as a collection fee and requires the city to remit to the district all amounts collected not more than 60 days after collection.

Proposed law requires the board of commissioners to adopt an annual budget in accordance with the Local Government Budget Act and provides that the district shall be subject to audit by the legislative auditor.

Proposed law provides that it is the purpose and intent of proposed law that the additional security and other improvements provided for through the fees authorized by proposed law shall be supplemental to and not in lieu of other governmental services.

Proposed law requires the district to indemnify its officers and board members to the fullest extent permitted by present law (relative to indemnification of officers, directors, employees, and

agents of nonprofit corporations) as fully as if the district were a nonprofit corporation governed thereby and as may be provided in district bylaws. Provides that no board member or officer shall be liable to the district or to any individual who resides, owns property, visits, or otherwise conducts business in the district for monetary damages for breach of duties; however, provides that this shall not eliminate or limit the liability of a board member or officer for:

- (1) Acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law.
- (2) Any transaction from which he derived an improper personal benefit.

Proposed law provides that a board member or officer shall not be individually liable for any act or omission arising out of the performance of his duties to the fullest extent permitted by present law relative to limitation of liability of directors, officers, and trustees of certain organizations and districts.

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

(Adds R.S. 33:9091.19)