

Regular Session, 2006

SENATE BILL NO. 639

BY SENATOR NEVERS

SPECIAL DISTRICTS. Creates the Washington Parish Economic Development District.
(gov sig)

1 AN ACT

2 To enact Subpart B-36 of Part IV of Chapter 1 of Title 33 of the Louisiana Revised Statutes

3 of 1950, to be comprised of R.S. 33:130.721 through 130.729, relative to special

4 districts; to create the Washington Parish Economic Development District; to

5 provide for a board of commissioners of the district and for the district's powers,

6 duties, and limitations; to provide for an effective date; and to provide for related

7 matters.

8 Notice of intention to introduce this Act has been published.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Subpart B-36 of Part IV of Chapter 1 of Title 33 of the Louisiana Revised

11 Statutes of 1950, comprised of R.S. 33:130.721 through 130.729, is hereby enacted to read

12 as follows:

13 **SUBPART B-36. WASHINGTON PARISH**

14 **ECONOMIC DEVELOPMENT DISTRICT**

15 **§130.721. Washington Parish Economic Development District; creation;**

16 **territorial jurisdiction**

17 **A. The Washington Parish Economic Development District, hereinafter**

1 referred to as the "district," is hereby constituted and is declared to be a body
2 politic and political subdivision of the state of Louisiana, as defined in Article
3 VI, Section 44 of the Constitution of Louisiana. Pursuant to Article VI, Sections
4 19 and 21 of the Constitution of Louisiana, the district, acting through its board
5 of commissioners, the governing authority of said district, is hereby granted all
6 of the rights, powers, privileges, and immunities granted to political
7 subdivisions for economic and industrial development purposes, including but
8 not limited to the power of taxation, the power to incur debt and issue revenue
9 and general obligation bonds, certificates of indebtedness, bond and certificate
10 anticipation notes, and refunding bonds, subject to the limitations hereinafter
11 provided.

12 B. The district created pursuant hereto shall be established for the
13 primary object and purpose of promoting and encouraging the development of
14 economic and industrial opportunities, stimulating the economy through
15 renewed commerce and industry, and for the utilization and development of
16 natural and human resources of the area by providing job opportunities.

17 C. The boundaries of the district shall be coterminous with the
18 boundaries of Washington Parish, provided that the jurisdiction of the district
19 shall not include towns or cities that have economic and industrial development
20 districts similar to the district, except pursuant to a cooperative endeavor
21 agreement with any such district.

22 §130.722. Board of commissioners; members; officers; employees

23 A.(1)(a) The district shall be governed by a board of commissioners
24 consisting of eight voting members who shall be qualified voters and taxpayers
25 within the limits of Washington Parish during their term of office. The
26 members of the board of commissioners shall be appointed by the governing
27 authority of Washington Parish and nominated as follows:

28 (i) Each council member and the parish president shall nominate one
29 member.

1 **(b) In the event that any nominee is not appointed by the governing**
2 **authority of Washington Parish, the person or entity making such nomination**
3 **shall continue to nominate persons until a nominee or nominees are approved**
4 **by the governing authority of Washington Parish.**

5 **(c) At the first meeting of the board, four of the initial members shall be**
6 **selected by lot at the first meeting of the district to serve one-year terms and**
7 **four to serve two-year terms. All successors shall be appointed to three-year**
8 **terms. No member may be appointed to serve for more than two successive**
9 **terms.**

10 **(2) Any member whose term has expired and has not been replaced shall**
11 **continue to serve until replaced. Any vacancy, which occurs prior to the**
12 **expiration of the term for which a member of the board of commissioners has**
13 **been appointed, shall be filled in the same manner as the original appointment**
14 **for the unexpired term.**

15 **B. The members of the board of commissioners shall not receive per**
16 **diem or be paid a salary for serving on the board.**

17 **C. Members of the board, individually, and members of their immediate**
18 **family are prohibited from bidding on or entering into any contract,**
19 **subcontract, or other transaction that is under the supervision or jurisdiction**
20 **of the district.**

21 **D. Elected officials shall not be eligible to serve on the board of**
22 **commissioners.**

23 **E. The board of commissioners shall elect from among its own members**
24 **a president, a vice president, a secretary, and a treasurer, whose duties shall be**
25 **those usual to such offices. At the option of the board of commissioners, the**
26 **offices of secretary and treasurer may be held by one person. The board of**
27 **commissioners may designate or select an executive director, who shall not be**
28 **a member of the board of commissioners and who may be employed or serve at**
29 **the will of the board of commissioners.**

1 **F. The board of commissioners shall meet in regular session every month**
2 **and shall also meet in special session as often as the president of the board**
3 **convenes them or on the written request of five members. Five members of the**
4 **board of commissioners shall constitute a quorum provided that two of the**
5 **members present are officers of the board of commissioners.**

6 **G. The board of commissioners shall prescribe rules to govern its**
7 **meetings. The board of commissioners may contract with and employ attorneys,**
8 **clerks, engineers, deputy commissioners, a director, and other agents and**
9 **employees and shall fix their compensation and terms of employment.**

10 **§130.723. Powers of district**

11 **The district, acting by and through its board of commissioners, shall**
12 **have and exercise all powers of a political subdivision necessary or convenient**
13 **for the carrying out of its objects and purposes, including but not limited to**
14 **rights and powers set out in this Subpart:**

15 **(1) To sue and be sued.**

16 **(2) To adopt, use, and alter at will a corporate seal.**

17 **(3) To acquire by gift, grant, expropriation, purchase, or otherwise all**
18 **property, including rights of way; to hold and use any franchise or property,**
19 **real, personal, or mixed, tangible or intangible, or any interest therein,**
20 **necessary or desirable for carrying out the objects and purposes of the district,**
21 **including but not limited to the establishment, maintenance, and operation of**
22 **industrial parks, ports, harbors, and terminals.**

23 **(4) To enter into contracts for the purchase, acquisition, construction,**
24 **and improvement of works and facilities necessary in connection with the**
25 **purposes of the district.**

26 **(5) In its own name and on its own behalf to incur debt and to issue**
27 **general obligation bonds, revenue bonds, certificates, notes, and other evidences**
28 **of indebtedness and to levy and cause to be collected certain taxes as provided**
29 **in this Subpart and as may be provided by general law.**

1 **(6) To require and issue licenses with respect to its properties and**
2 **facilities.**

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

5 **(8) To borrow money and pledge all or part of its revenues, leases, rents,**
6 **or other advantages as security for such loans.**

7 **(9) To appoint officers, agents, and employees, prescribe their duties, and**
8 **fix their compensation.**

9 **§130.724. Economic and industrial development**

10 **A.(1) The district shall have the power to construct and acquire facilities,**
11 **including the acquisition of sites and other necessary property or appurtenances**
12 **thereto within the district or outside the district if the project is undertaken**
13 **conjointly with other local units of government, under the authority of the local**
14 **services law, R.S. 33:1321 et seq., or other authorizing authority, and to acquire,**
15 **construct, improve, operate, maintain, and provide improvements and services**
16 **necessary therefor, including but not limited to roads, street lighting, bridges,**
17 **rail facilities, drainage, sewage disposal facilities, solid waste disposal facilities,**
18 **waterworks, and other utilities and related properties.**

19 **(2) The district shall also have the authority to sell, lease, or otherwise**
20 **dispose of, by suitable and appropriate contract, to any enterprise locating or**
21 **existing within the district all or any part of a site, building, or other property**
22 **owned by the district. In determining the consideration for any contract to**
23 **lease, sell, or otherwise dispose of lands, buildings, or other property of the**
24 **district, the board of commissioners may take into consideration the value of the**
25 **lands, buildings, or other properties involved as well as the potential value of**
26 **the economic impact of the enterprise being induced to locate or expand within**
27 **the district. Such economic impact shall include increased employment,**
28 **increased use of local labor, wages and salaries to be paid, consumption of local**
29 **materials, products, resources, and special tax revenues to be generated by the**

1 enterprise acquiring or leasing lands, buildings, or other property from the
2 district. The district shall be empowered to enter into leases.

3 (3) The resolution or ordinance adopted by the board of commissioners
4 authorizing any lease, sale, or other disposition of lands, buildings, or other
5 property of the district or any attachment thereto shall set forth, in a general
6 way, the terms of the authorized lease, sale, or other disposition, and such
7 resolution or ordinance shall be published as soon as possible in one issue of the
8 official journal of the district. For a period of thirty days from the date of
9 publication of any such resolution or ordinance, any interested person may
10 contest the legality of such resolution or ordinance or the validity of the
11 authorized lease, sale, or other disposition of district property, after which time
12 no one shall have any cause of action to contest the legality of said resolution or
13 ordinance or to draw in question the legality of the authorized lease, sale, or
14 other disposition of district property for any cause whatsoever, and it shall be
15 conclusively presumed thereafter that every legal requirement has been
16 complied with and no court shall have authority to inquire into such matters
17 after the lapse of said thirty days.

18 B. The district shall have the following additional powers, together with
19 all powers incidental thereto or necessary for the performance of those
20 hereinafter stated:

21 (1) To acquire, whether by purchase, expropriation, exchange, gift, lease,
22 or otherwise, and to construct and improve, maintain, equip, and furnish one
23 or more economic development projects, including all immovable and movable
24 properties, which the board of commissioners may deem necessary in
25 connection therewith.

26 (2) To lease or to contract for the use of any or all of its authorized
27 projects and to charge and collect rent, fees, or charges therefor, and to
28 terminate any such lease or contractual arrangement upon the failure of the
29 lessee or contracting party to comply with any of the obligations thereof all as

1 may be provided for in the lease agreement to which the district may become
2 a part.

3 (3) To sell, exchange, donate, and convey any or all of its projects upon
4 such terms and conditions as the board of commissioners may deem advisable,
5 including the power to receive for any such sale the first mortgage note or notes
6 of the purchaser of a project representing unpaid installments of the purchase
7 price due by the purchaser to the district whenever the board of commissioners
8 finds any such actions to be in furtherance of the purposes for which the district
9 was organized.

10 (4) As security for the payment of the principal of and interest on any
11 bonds, notes, or other obligations of the district and any agreements made in
12 connection therewith, to mortgage and pledge any or all of its projects or any
13 part or parts thereof, whether then owned or thereafter acquired, and to pledge
14 the revenues and receipts therefrom or from any other source.

15 (5)(a) To enter into any cooperative financing associated with economic
16 and industrial development between or among the district and the state, any of
17 its local governmental subdivisions, political corporations, or public benefit
18 corporations, the United States or its agencies, or any public or private
19 association, corporation, or individual.

20 (b) To enter into any economic or industrial development project
21 between or among the district and the state, any of its local governmental
22 subdivisions, political corporations, or public benefit corporations, the United
23 States or its agencies, or any public or private association, corporation, or
24 individual. Said methods of cooperative development shall include, but not be
25 limited to any number of joint development agreements and cooperative
26 ownership, limited partnerships, and investment syndicates not prohibited by
27 the Constitution of Louisiana. Regardless of the method of financing, the
28 district shall attempt to obtain the most favorable arrangement available in
29 order to protect and ensure economic and industrial development.

1 (c) To cooperate with and to engage in cooperative endeavors with other
2 persons and entities as provided by Article VII, Section 21(H) of the
3 Constitution of Louisiana to provide a means by which owners of such
4 properties who expand, restore, improve, and develop them may pay ad
5 valorem taxes for five years based upon the assessed valuation of the property
6 for the year prior to the commencement of the expansion, restoration,
7 improvement, or development.

8 §130.725. Taxes; borrowing money

9 A. The board of commissioners may, when necessary, levy annually an
10 ad valorem tax, provided that the amount, term, and purpose of said tax, as set
11 out in a proposition submitted to a vote in accordance with the Louisiana
12 Election Code, shall be approved by a majority of the qualified electors voting
13 in an election.

14 B.(1) The board of commissioners may, subject to approval of a majority
15 of the electors voting at an election held for the purpose, levy and collect a sales
16 and use tax within the boundaries of the district for such purposes and at such
17 rate as provided by the proposition authorizing its levy, not exceeding one
18 percent, which tax may exceed the limitation set forth in Article VI, Section
19 29(A) of the Constitution of Louisiana.

20 (2) The tax shall be levied upon the sale at retail, the use, the lease or
21 rental, the consumption, the distribution and storage for use or consumption of
22 tangible personal property, and upon the sales of services within the district, all
23 as presently provided for in Chapters 2 and 2-D of Subtitle II of Title 47 of the
24 Louisiana Revised Statutes of 1950.

25 (3) Except where inapplicable, the procedure established by such
26 Chapters shall be followed in the imposition, collection, and enforcement of the
27 tax, and procedural details necessary to supplement those Sections and to make
28 them applicable to the tax herein authorized shall be fixed in the resolution
29 imposing the tax.

1 **(4) The tax shall be imposed and collected uniformly throughout the**
2 **district.**

3 **(5)(a) In the event there is another economic development district with**
4 **similar powers to levy taxes with an overlapping jurisdiction, no tax provided**
5 **hereunder shall be permitted to the extent it would result in a double tax on**
6 **such overlapping jurisdiction.**

7 **(b) In the event that the district levies a tax, so long as the tax so levied**
8 **is pledged to secure bonds, changes in the boundaries of the district, as a result**
9 **of the creation of new economic development districts within the district or the**
10 **annexation of property by a city within the district, or for any other reason,**
11 **shall not result in a change in the tax on property levied by the district and such**
12 **tax shall remain in full force and effect until all outstanding bonds secured by**
13 **such tax of the district have been paid in full and discharged.**

14 **C. All funds derived under this Section may be used only for expenses or**
15 **specified purposes of the district. The board of commissioners shall establish**
16 **and maintain, in addition to all necessary and normal accounts, the following**
17 **special accounts:**

18 **(1) A revolving-loan guarantee fund, to be used to guarantee industrial**
19 **or business terminal development loans to the extent permitted by the**
20 **Constitution of Louisiana under the following guidelines:**

21 **(a) Loan guarantees shall be made only when adequate financing for the**
22 **project is unavailable through normal lending channels and the project**
23 **represents a sound business venture that is financially and economically**
24 **feasible.**

25 **(b) Loan guarantees shall be used to assist an identifiable business**
26 **concern to finance plant construction, conversion, or expansion and to finance**
27 **acquisition of land, existing structures, machinery, or equipment and to provide**
28 **operational funds.**

29 **(c) The terms and rates shall be compatible with loans offered by local**

1 lending institutions, and the guarantee shall never exceed forty percent of the
2 cost of the total project. In addition, the district shall attempt to obtain the most
3 favorable security available under the circumstances to protect and ensure the
4 recovery of its commitment under the guarantee.

5 (d) Loan guarantees may be evaluated for the economic impact in terms
6 of the number and types of jobs created or saved.

7 (e) Loan guarantees shall be made to leverage other sources of private
8 and public capital to attain the greatest economic impact possible with the
9 limited funds available.

10 (f) Loan guarantees shall be targeted to industries, manufacturing firms,
11 and wholesale distribution firms and service firms.

12 (g) The lending or underwriting principals shall have such demonstrated
13 experience, ability, and net worth as would allow for the success, continuation,
14 security, and solvency of the program. Prudent lending and underwriting
15 standards shall be applied in order to comply with the primary objectives of this
16 Section.

17 (2) An economic development operation fund, for the development and
18 attraction of industries to accomplish the following:

19 (a) The operational fund shall be used for operating expenses necessary
20 in creation of industrial and commercial development, in hiring sufficient staff
21 to accomplish the purposes set out in this Subpart, and other related expenses.

22 (b) The operational fund may also be utilized in contracting for services
23 as may be required by the district including but not limited to planning
24 assistance, surveys, land use studies, professional and technical services, and
25 other services necessary to effectuate a unified industrial development plan.

26 (3) An account for the maintenance and operation of a governmental
27 procurement center to provide necessary information to companies and
28 individuals engaged in providing services and goods to accomplish the
29 following:

1 **(a) Pinpoint and identify potential buying centers and aid in placing the**
2 **company on a bidder's list for these centers and assist companies in obtaining**
3 **specifications for their products or services.**

4 **(b) Provide trained counselors to assist in acquiring solicitation and bid**
5 **packages and conduct seminars designed to disseminate other information**
6 **needed by the target companies and individuals.**

7 **D. Any tax levied under this Section shall be in addition to all other**
8 **taxes, which the city, parish, or any other political subdivision within the parish**
9 **of Washington are now or hereafter authorized to levy and collect.**

10 **§130.726. Obligations of the district**

11 **A. The district shall have authority to incur debt for any one or more of**
12 **its lawful purposes set forth in this Subpart, to issue in its name negotiable**
13 **bonds, notes, certificates of indebtedness, or other evidences of debt and to**
14 **provide for the security and payment thereof.**

15 **B.(1) The district may in its own name and behalf incur debt and issue**
16 **general obligation ad valorem property tax secured bonds under the authority**
17 **of and subject to the provisions of Article VI, Section 33 of the Constitution of**
18 **Louisiana, Subpart A of Part III of Chapter 4 of Subtitle II of Title 39 of the**
19 **Louisiana Revised Statutes of 1950, when approved by a majority of the**
20 **qualified voters who vote in an election called and conducted under the**
21 **authority of the Louisiana Election Code, including Chapter 6-A of Title 18 of**
22 **the Louisiana Revised Statutes of 1950, as amended. General obligation bonds**
23 **of the district may be issued for any of the purposes for which the district is**
24 **created or is authorized to act under any provisions of this Subpart all of which**
25 **purposes are hereby found and declared to be public purposes and functions of**
26 **the state of Louisiana, which are delegated to the district.**

27 **(2) The district may in its own name and behalf issue revenue bonds for**
28 **the purposes for which the district is created or is authorized to act under any**
29 **of the provisions of this Subpart, including improvement revenue bonds. Said**

1 **bonds shall be issued in the manner as provided in R.S. 39:991 through 1001,**
2 **and R.S. 39:1011 through 1024.**

3 **(3) The district may in its own name and behalf borrow from time to**
4 **time in the form of certificates of indebtedness. The certificates shall be secured**
5 **by the dedication and pledge of monies of the district derived from any lawful**
6 **sources, including fees, lease rentals, service charges, local service agreement**
7 **payments from one or more other contracting parties, the avails of ad valorem**
8 **property taxation, or any combination of such sources of income provided that**
9 **the term of such certificates shall not exceed ten years and the annual debt**
10 **service on the amount borrowed shall not exceed the anticipated revenues to be**
11 **dedicated and pledged to the payment of the certificates of indebtedness, as**
12 **shall be estimated by the board of commissioners of the district at the time of**
13 **the adoption of the resolution authorizing the issuance of such certificates. The**
14 **estimate of the board of commissioners referred to in the authorizing resolution**
15 **shall be conclusive for all purposes of this Section.**

16 **(4) The district may borrow the amount of the anticipated ad valorem**
17 **tax, not to exceed five mills, authorized by R.S. 33:130.725 for a period not to**
18 **exceed ten years and may issue certificates of indebtedness therefor and may**
19 **dedicate the avails of the tax funded for the payment thereof for the period of**
20 **time said certificates are outstanding.**

21 **(5) The board of commissioners, as the governing authority of the**
22 **district, is authorized to adopt all necessary resolutions or ordinances which**
23 **may be necessary for ordering, holding, canvassing, and promulgating the**
24 **returns of any election required for the issuance of general obligation bonds, or**
25 **limited tax secured obligations or for the voting of a property tax millage, which**
26 **resolutions or ordinances may include covenants for the security and payment**
27 **of any bonds or other evidence of debt so issued.**

28 **(6) For a period of thirty days from the date of publication of any**
29 **resolution or ordinance authorizing the issuance of any bonds, certificates of**

1 indebtedness, notes, or other evidence of debt of the district, any interested
2 person may contest the legality of such resolution or ordinance and the validity
3 of such bonds, certificates of indebtedness, notes, or other evidence of debt
4 issued or proposed to be issued thereunder and the security of their payment,
5 after which time no one shall have any cause of action to contest the legality of
6 said resolution or ordinance or to draw in question the legality of said bonds,
7 certificates of indebtedness, notes, or other evidence of debt, the security
8 therefor, or the debts represented thereby for any cause whatever, and it shall
9 be conclusively presumed that every legal requirement has been complied with,
10 and no court shall have authority to inquire into such matters after the lapse of
11 thirty days.

12 (7) The issuance and sale of such bonds, certificates of indebtedness,
13 notes, or other evidence of debt by the district shall be subject to approval by
14 the State Bond Commission.

15 (8) Such bonds, certificates of indebtedness, notes, or other evidence of
16 debt shall have all the qualities of negotiable instruments under the commercial
17 laws of the state of Louisiana.

18 §130.727. Securities

19 Bonds, certificates, or other evidences of indebtedness issued by the
20 district under this Subpart are deemed to be securities of public entities within
21 the meaning of Chapters 13 and 13-A of Title 39 of the Louisiana Revised
22 Statutes of 1950, and shall be subject to defeasance in accordance with the
23 provisions of Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950,
24 and may be refunded in accordance with the provisions of Chapters 14-A and
25 15 of Title 39 of the Louisiana Revised Statutes of 1950, and may also be issued
26 as short-term revenue notes of a public entity under Chapter 15-A of Title 39
27 of the Louisiana Revised Statutes of 1950.

28 §130.728. Exemption from taxation

29 The district and all properties at any time owned by the district and the

1 income therefrom and all bonds, certificates, and other evidence of indebtedness
 2 issued by the district under this Subpart and the interest or income therefrom
 3 shall be exempt from all taxation by the state of Louisiana.

4 §130.729. General compliances; enhancement

5 A. No provisions of this Subpart shall be construed so as to exempt the
 6 district from compliance with the provisions of Louisiana laws pertaining to
 7 open meetings, public records, fiscal agents, official journals, dual officeholding
 8 and employment, public bidding for the purchase of supplies and materials and
 9 construction of public works, the Code of Governmental Ethics, the Right to
 10 Property in Article I, Section 4 of the Constitution of Louisiana, and the
 11 Louisiana Election Code.

12 B. The district shall have the power and right to adopt a program or
 13 programs awarding contracts to, and establishing set-aside goals and preference
 14 procedures for the benefit of, businesses owned and operated by socially or
 15 economically disadvantaged persons in accordance with any of the provisions
 16 of R.S. 38:2233 and of Chapter 19 of Title 39 of the Louisiana Revised Statutes
 17 of 1950, entitled "Louisiana Minority and Women's Business Enterprise Act."

18 C. The financial records of the district shall be subjected to audit
 19 pursuant to R.S. 24:513.

20 Section 2. This Act shall become effective upon signature by the governor or, if not
 21 signed by the governor, upon expiration of the time for bills to become law without signature
 22 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 23 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 24 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Michael Bell.

DIGEST

Proposed law creates the Washington Parish Economic Development District as a political
 subdivision of the state, granted all of the rights, powers, etc., to political subdivisions for
 economic and industrial development purposes, including but not limited to the power of
 taxation, the power to incur debt and issue revenue and general obligation bonds, certificates

of indebtedness, bond and certificate anticipation notes, and refunding bonds. It's "primary object" is promoting and encouraging the development of economic and industrial opportunities, stimulating the economy through renewed commerce and industry, and for the utilization and development of natural and human resources of the area by providing job opportunities.

The boundaries of the district are coterminous with the boundaries of Washington Parish, except that the jurisdiction of the district does not include towns or cities that have economic and industrial development districts similar to the district unless there is a cooperative endeavor agreement with such a district.

The board of commissioners of the district consists of eight members appointed by the governing authority of the parish who must be qualified voters and taxpayers of the parish nominated as follows:

- (1) Each council member and the parish president nominate one member.
- (2) Two members are to be nominated by the Washington Economic Development Foundation, who may themselves be members of the foundation.

In the event that a nominee is not appointed by the governing authority, the nominator continues to make nominations until approved by the governing authority. At the first meeting, four of the initial members are to be selected by lot to serve one-year terms; four for two-year terms. All successors are appointed to three-year terms. Any member whose term has expired and has not been replaced may continue to serve until replaced. Vacancies are filled in the same manner as the original appointment for the unexpired term. No members can be appointed to serve for more than two successive terms.

The members do not receive per diem or a salary for serving on the board. Members and their immediate family are prohibited from bidding on or entering into any contract, subcontract, or other transaction that is under the supervision or jurisdiction of the district. Elected officials are prohibited from serving on the board of commissioners.

The board elects its officers and may select an executive director. Five members constitute a quorum provided that two of them are officers. The board may contract with and employ attorneys, clerks, engineers, deputy commissioners, a director, and other agents and employees and shall fix their compensation and terms of employment.

The board is authorized to levy an ad valorem tax and a sales tax if approved by a majority of the qualified electors voting in an election unless another economic development district has levied such a tax. The district may borrow the amount of the anticipated ad valorem tax under this provision, "not to exceed five mills," for a period not to exceed ten years.

The district has all of the usual powers granted to a political subdivision necessary or convenient for the carrying out of its objects and purposes, in particular:

- (1) To acquire property necessary, including rights of way, for its purposes, including but not limited to the establishment, maintenance, and operation of industrial parks, ports, harbors, and terminals, and furnish one or more economic development project.
- (2) To borrow money and pledge all or part of its revenues, and incur debt and issue bonds, and other indebtedness, when approved by a majority of the voters who vote in a special election. The term of certificates of indebtedness cannot exceed 10 years. The bonds, certificates of indebtedness, notes, or other evidence of debt by the district are negotiable instruments, are tax exempt, and are subject to approval by the State Bond Commission.

- (3) To regulate the imposition of fees and rentals charged by the district, and issue licenses with respect to its properties and facilities.
- (4) To construct and acquire facilities and sites within the district or outside if the project is undertaken conjointly with another authority and to acquire, construct, operate and maintain improvements and services necessary therefor, including but not limited to roads, street lighting, bridges, rail facilities, drainage, sewage disposal facilities, solid waste disposal facilities, waterworks, and other utilities and related properties.
- (5) To sell, lease, or otherwise dispose of to any enterprise locating or existing within the district all or any part of a site, building, or other property owned by the district. In determining the consideration for such, the board may take into consideration the value of the lands, buildings, or other properties involved as well as the potential value of the economic impact of the enterprise. Such economic impact must include increased employment, increased use of local labor, wages and salaries to be paid, consumption of local materials, products, and resources, and special tax revenues to be generated by the enterprise acquiring or leasing lands, buildings, or other property from the district. The district is authorized to terminate any such lease or contractual arrangement upon the failure of the lessee or contracting party to comply with any of the obligations thereof.
- (6) To sell, lease, or otherwise dispose of its economic development projects, including the power to receive for any such sale the first mortgage note or notes of the purchaser of a project representing unpaid installments of the purchase price due by the purchaser to the district.
- (7) Sales, leases, other dispositions and bond issues are to be done by resolution or ordinance which must be published as soon as possible in one issue of the official journal of the district. Any interested person may contest the legality of the resolution or ordinance or the validity of the transaction within 30 days after which no court has the authority to inquire into such matters.
- (8) To enter into any cooperative financing or projects with economic and industrial development between any public or private entities. Regardless of the method of financing, the district must attempt to obtain the most favorable arrangement available.
- (9) To cooperate and engage in cooperative endeavors that provides a means by which owners of properties in a downtown, historic, or economic development district who expand, restore, improve, and develop them may pay ad valorem taxes for five years based upon the assessed valuation of the property for the year prior to the commencement of the expansion, restoration, improvement, or development.

The board must maintain the following special accounts:

- (1) A revolving-loan guarantee fund, to be used to guarantee industrial or business terminal development loans under the following guidelines:
 - (a) Loan guarantees may be made only when adequate financing is unavailable through normal lending channels.
 - (b) Loan guarantees may be used to assist an identifiable business concern to finance acquisitions, construction, conversion, or expansion or provide operational funds.
 - (c) The terms and rates must be compatible with loans offered by local lending institutions, and the guarantee can never exceed 40% of the cost of the total

project. In addition, the district must attempt to obtain the most favorable security available.

- (d) Loan guarantees must be made to leverage other sources of private and public capital to attain the greatest economic impact possible with the limited funds available.
 - (e) Loan guarantees must be targeted to industries, manufacturing firms, and wholesale distribution firms and service firms.
 - (f) The lending or underwriting principals must have such demonstrated experience, ability, and net worth as would allow for success, continuation, security, and solvency of the program and prudent lending and underwriting standards must be applied.
- (2) An economic development operation fund, for the development and attraction of industries for operating expenses necessary for development, hiring sufficient staff, etc., and contracting for services.
 - (3) An account for the maintenance and operation of a governmental procurement center to identify potential buying centers and aid in placing a company on a bidder's list for these centers and provide trained counselors to assist and conduct seminars in acquiring solicitation and bid packages.

The district is subject to laws pertaining to open meetings, public records, fiscal agents, official journals, dual officeholding and employment, public bidding for the purchase of supplies and materials and construction of public works, the Code of Governmental Ethics, the Right to Property in Article I, Section 4 of the Constitution of Louisiana, and the Louisiana Election Code. It has the power to adopt programs awarding contracts to, and establishing set-aside goals and preference procedures for the benefit of, businesses owned and operated by socially or economically disadvantaged persons in accordance with any of the provisions of R.S. 38:2233 and of Chapter 19 of Title 39 of the Louisiana Revised Statutes of 1950, entitled "Louisiana Minority and Women's Business Enterprise Act." The financial records of the district are subject to audit pursuant to R.S. 24:513.

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

(Adds R.S. 33:130.721-729)