

## **RS 33:2740.60**

§2740.60. City of Alexandria; creation of special economic development taxing district; levy of hotel occupancy tax; issuance of bonds

A. As used in this Section, the following terms shall have the following meanings ascribed to them:

(1) "Bonds" means and includes bonds, notes, certificates, or other obligations for the repayment of borrowed money.

(2) "District" means the special taxing district authorized by this Section.

(3) "Hotel" means and includes any establishment, public or private, engaged in the business of furnishing or providing rooms and overnight camping facilities intended or designed for dwelling, lodging, or sleeping purposes to transient guests where such establishment consists of two or more guest rooms. "Hotel" shall not mean any hospital, convalescent or nursing home, sanitarium, or any facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.

(4) "Tax" means the hotel occupancy tax authorized to be levied by this Section.

B. The governing authority of the city of Alexandria may, by ordinance, create a special taxing district and political subdivision of the state to provide for and promote the economic development of the city of Alexandria in order to provide for the renovation, restoration, and development of property in the city.

C. The special taxing district is created for the purpose of cooperative economic development between the city of Alexandria and the special taxing district.

D. The district shall have as its purpose cooperative economic development between the city of Alexandria and the district, in order to provide for the renovation, restoration, and development of property in the city of Alexandria and district and to pay the costs of capital improvements relating thereto, and to engage in cooperative endeavors with the state and its political subdivisions or political corporations, with the United States or its agencies, or with any public or private association, corporation, or individual.

E. The ordinance creating the district shall define the boundaries of the district which shall be all or any part of the territorial limits of the city of Alexandria.

F. In order to provide for the orderly development of the district and effectuation of the purposes of the district, the district shall be administered and governed by a commission, comprised of no less than three and no more than seven members, established in the ordinance creating the district. The members of the commission shall be appointed by a vote of the majority of the elected members of the governing authority of the city of Alexandria.

G.(1) The district shall have the following powers, duties, and authority:

(a) To sue and to be sued.

(b) To adopt a seal.

(c) To adopt rules consistent with this Section and the ordinance creating the district.

- (d) To receive by gift, grant, purchase, lease, donation, or otherwise any sum of money, property, movable or immovable, aid, or assistance from the United States, the state of Louisiana, or any political subdivision thereof, or any person, firm, corporation, or other legal entity.
  - (e) Consistent with the constitution and the laws of this state, to enter into contracts or agreements of any kind with the state and its political subdivisions or political corporations and with any person, firm, corporation, or other legal entity.
  - (f) To appoint officers, agents, and employees, and prescribe their duties and fix their compensation.
  - (g) To sell, mortgage, or lease as lessor any property, movable or immovable.
  - (h) In its own name and on its own behalf to incur debt and issue bonds, notes, certificates, and other evidences of indebtedness as hereinafter set forth.
  - (i) To establish such funds or accounts as are necessary for the conduct of the affairs of the commission.
  - (j) To encourage and promote the economic development of the city of Alexandria, which includes all projects suitable to any industry determined by the commission to create economic development, including, without limitation, public works and infrastructure and projects to assist the following industries within the meaning of Article VI, Section 21 of the Louisiana Constitution:
    - (i) Industrial, manufacturing, and other related industries.
    - (ii) Housing and related industries.
    - (iii) Hotel, motel, conference facilities, and related industries.
    - (iv) Commercial, retail, and related facilities.
    - (v) Amusement, places of entertainment, theme parks, and any other tourism-related industry.
    - (vi) Transportation-related industries.
    - (vii) Hospital, medical, health, nursery care, nursing care, clinical, ambulance, laboratory, and related facilities.
    - (viii) Any other industry determined by the commission, whose assistance will result in economic development.
  - (k) To make capital improvements for the purpose of assisting the economic development of the city of Alexandria within the territorial limits of the district.
  - (2) Notwithstanding the provisions of this Section, the ordinance establishing the district and the commission may limit the exercise of any of the foregoing rights, duties, and authority by the commission.
- H. The commission may, by resolution adopted by a majority vote of the members of the commission, levy and collect a tax upon the occupancy of hotel rooms within the district. The tax shall be levied by the district without an election. The tax rate shall not exceed the aggregate rate of all such taxes levied and collected within the territorial limits of the district by any other taxing authority and in no event shall exceed four percent. The tax shall be paid by the person who exercises or is entitled to occupancy of the hotel room and shall be paid at the time the rent or fee of occupancy is paid. Any tax levied by the district shall be in addition to any other similar tax levied and collected within the territorial limits of the district by any other taxing authority.
- I.(1) The district may issue revenue bonds payable from an irrevocable pledge and dedication of all

or any part of the tax authorized by this Section in order to finance or refinance any capital improvements made by the district consistent with the provisions of this Section. Nothing herein shall be construed to permit the district to impair any existing obligations of the district. All action of the commission with respect to the issuance of the bonds and all other actions required to be taken by the commission pursuant to this Subsection shall be by resolution adopted after public hearing and adopted by a majority vote of the members of the commission.

(2) The district may fund the revenues derived from the tax authorized by this Section into negotiable bonds and may issue bonds from time to time solely and exclusively for the purpose of making capital improvements authorized by this Section, paying capitalized interest on the bonds, funding a reserve fund, and paying costs of issuance, including the cost of obtaining credit enhancement, such bonds payable solely from and secured by an irrevocable pledge and dedication of the tax hereby authorized, subject only to the prior payment of the costs and expenses of administration and collection of the tax. The bonds shall be subject to the limitations and restrictions provided in this Section.

(3) The bonds shall be authorized and issued only by resolution of the commission adopted by a majority vote of the members of the commission and be of such series, bear such date or dates, mature at such time or times, beginning not more than three years after the date of the bonds and ending not later than thirty years after the date thereof, bear interest at such rate or rates payable at such times, be in such denomination, form, either coupon or fully registered without coupons, carry such registration and exchangeability privileges, be payable in such medium and at such place or places within or without the state, be subject to such terms of redemption, be entitled to such priorities on the tax revenues, and be sold upon such terms not inconsistent herewith as the resolution authorizing the issuance of the bonds may provide. The bonds shall be executed in the name of the district by the manual or facsimile signature of such official or officials of the commission as designated in such resolution. At least one signature on each bond shall be a manual signature. The seal or a facsimile thereof of the district shall be affixed or otherwise reproduced upon each bond. The delivery of any bonds or coupons so executed at any time thereafter shall be valid although before the date of delivery any person or persons signing the bonds or coupons no longer hold office. The maturities of the bonds shall be so arranged that the total amount of principal and interest falling due in any year, together with principal and interest falling due in such year on all bonds theretofore issued and then outstanding, shall never exceed seventy percent of the amount of tax revenues estimated by the chief financial officer of the commission to be received in the calendar year in which the bonds are issued.

(4) Bonds issued pursuant to this Section shall constitute a borrowing solely upon the credit of the tax revenues received or to be received by the district and shall not constitute an indebtedness or pledge of the general credit of the city of Alexandria and shall not in any way constitute an indebtedness of the city of Alexandria, and the bonds shall contain a recital to that effect. No member of commission and no officer of the commission or any person executing the bonds shall have any personal liability on such bonds. Bonds issued hereunder shall be payable solely from and secured by an irrevocable pledge and dedication of such part of the tax revenues as may be pledged

thereto by the commission in the resolution authorizing the issuance of the bonds. Any holder of any of such bonds or coupons attached thereto may enforce and compel performance of all duties required to be performed by the district as a result of issuing the bonds, including the resolution authorizing the issuance of the bonds, and may similarly enforce the collection of the tax securing the payment of such bonds. When any bonds shall have been issued pursuant to this Section, neither the legislature, the commission, the city of Alexandria, the governing authority of the city of Alexandria, nor any other authority shall discontinue or decrease the tax or permit the tax to be discontinued or decreased in anticipation of the collection of which such bonds have been issued or in any way make any change in the allocation and dedication of the proceeds of the tax which would diminish the amount of the tax revenues to be received by the commission until all of such bonds shall have been retired as to principal and interest, it being the intention hereof to vest in the holders of such bonds and coupons a contractual right under the provisions of this Section.

(5) In the resolution authorizing the issuance of the bonds, the commission may provide for the respective priorities of separate blocks, series, or issues of bonds issued hereunder and may provide for the issuance of additional bonds in the future on a parity therewith as may be specified in the resolution. In the absence of such provision, if more than one series of bonds is issued hereunder payable from the same tax revenues, priority of lien on such revenues shall be determined in accordance with the resolution authorizing any bonds; however, nothing herein shall vest in any holder of the bonds any right of lien or priority of any kind against any part of the tax revenues not pledged to the payment of the bonds by resolution adopted by a majority vote of the members of the commission. Any resolution of the commission authorized by this Subsection may contain such covenants with the future holder or holders of the bonds as to tax revenues, the disposition thereof, the issuance of future bonds, and such other pertinent matters as may be deemed necessary by the commission to assure the marketability of the bonds, provided such covenants are not inconsistent with the provisions of this Section. The resolution authorizing the issuance of bonds hereunder may contain such provisions to assure the enforcement, collection, and proper application of the tax revenues as the commission may think proper and consistent with this Section, and when any bonds payable from the tax revenue shall have been issued, this Section, the resolution of the commission levying and authorizing collection of the tax, and the obligation of the commission to continue to levy, collect, and allocate the tax and to apply the revenues derived therefrom in accordance with such resolution of the commission shall be irrevocable until such bonds have been paid in full as to principal and interest and shall not be subject to amendment in any manner which would impair the rights of the holders from time to time of such bonds or which would in any way jeopardize the prompt payment of principal thereof or interest thereon.

(6) All bonds shall be advertised for sale at competitive or negotiated sale as determined by the commission; however, any negotiated sale of any bonds shall be approved by a resolution adopted by at least a majority of the members of the commission. Bonds issued pursuant to this Section may also be issued as provided for in Chapter 13 of Title 39 of the Louisiana Revised Statutes of 1950.

(7) The proceeds derived from the sale of bonds issued pursuant to this Section shall be used exclusively by the district for the purposes provided in this Section.

(8) The district, by resolution adopted by a majority vote of the members of the commission, shall direct that the bonds contain a recital certifying that the bond is authorized by and is issued in conformity with the requirements of the constitution and laws of the state. Such recital shall be deemed to be the authorized declaration of the district and to import that there is constitutional and statutory authority for issuing the bonds and imposing the tax, that all the proceedings are regular, that all acts, conditions, and things required to exist, happen, and be performed precedent to and in the issuance of the bonds and imposition of the tax have existed, happened, and been performed in due time, form, and the manner required by law, that the amount of the bonds together with all other indebtedness of the district does not exceed any limit or limits prescribed by the constitution or laws of the state and that the required notices have been regularly and duly given by publication in the manner required by law. If any bonds are issued containing the recital, it shall be conclusively presumed that the recital is true, and neither the district nor any taxpayer shall be permitted to question the validity or regularity of the bonds, obligations, or tax in any court or in any other action or proceeding.

(9) After the time within which the validity of the bonds may be contested has elapsed as provided hereafter, the bonds shall be registered with the secretary of state without charge and shall have endorsed thereon a legend stating that they are incontestable and are secured by a pledge and dedication of a tax authorized by this Section within the territorial limits of the district and that they were registered with the secretary of state on the date so registered, and the endorsement shall be signed by the secretary of state.

(10) All bonds issued pursuant to this Section and the interest thereon shall be exempt from all taxation in the state. The bonds issued pursuant to this Section shall be and are hereby declared to be legal and authorized investments for banks, savings banks, trust companies, building and loan associations, insurance companies, fiduciaries, trustees, and guardians. Such bonds shall be eligible to secure the deposit of any and all public funds of the state and any and all public funds of municipalities, parishes, school districts, or other political corporation or subdivision of the state. Such bonds shall be lawful and sufficient security for said deposits to the extent of the value.

(11) This Section shall be construed as cumulative authority for the exercise of the powers herein granted. The authority granted herein to the district shall not be affected or limited by any other provision of any statute of this state, and no provision, publication, election, or right of referendum shall be required or afforded in the performance of any act herein authorized to be done, including the imposition, collection, and application of the tax and issuance of bonds, except as herein otherwise specifically provided. However, in order to accomplish the purposes provided for herein, the district is authorized to utilize all of the types of securities, devices, procedures, and methods of borrowing or securing provided for tax revenues as set forth in Title 39 of the Louisiana Revised Statutes of 1950 when issuing indebtedness and otherwise using the tax revenue provided for in this Section. The bonds may be issued, reissued, advertised, sold, secured, enhanced, refunded, defeased, or otherwise utilized, and the tax revenues may be used in any manner according to any procedure provided for in Title 39 of the Louisiana Revised Statutes of 1950 for the district; however, such use must accomplish the purposes provided for in this Section. The commission shall constitute a public

entity for purposes of Chapters 13, 13-A, 14, 14-A, 14-B, and 15-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and in the event of a conflict with the provisions of this Section, the provisions of this Section shall control.

(12) Any bonds issued pursuant to this Section shall be considered negotiable in accordance with the commercial laws of Louisiana and shall not be invalid for any irregularity or defect in the proceedings for the issuance and sale thereof and shall be incontestable in the hands of bona fide purchasers or holders for value.

(13) The resolution of the commission authorizing the issuance of the bonds and pledging and dedicating tax revenues to the payment thereof shall be recorded in the mortgage records of Rapides Parish and shall be published in one issue of the official journal of the city of Alexandria, but it shall not be necessary to publish any exhibits to the resolution if they are available for public inspection and such fact is stated in the publication. Within thirty days after the date of publication, any person in interest may contest the legality of the tax levied and of the resolution of the commission, any provisions in the resolution made for the security and payment of the bonds to be issued pursuant thereto, and the validity of all other provisions and proceedings relating to the authorization and issuance of such bonds and the levy of the tax. If no action or proceeding is instituted within thirty days, no person shall have any cause of action to test the regularity, formality, legality, or effectiveness of the levy of the tax or of the resolution of the commission, any provisions of the bonds to be issued pursuant to thereto, the provisions for the security and payment of the bonds, and of the validity of all other provisions and proceedings relating to the authorization and issuance of the bonds and the levy of the tax for any cause whatsoever, and it shall be conclusively presumed that every legal requirement for the issuance of the bonds and the levy of the tax has been complied with and that the bonds and tax are legal. Thereafter, no court shall have authority to inquire into any such matters. Any action or proceeding instituted by such person in interest or by the commission shall be in accordance with the provisions of Part XVI of Chapter 32 of Title 13 of the Louisiana Revised Statutes of 1950.

(14) Until such time as the bonds authorized hereby are issued and the proceeds of the tax are required for debt service as set forth in this Section, or the substantial completion of the capital improvements to be funded by the bonds, the net proceeds of the tax after deduction of reasonable collection expenses shall be used by the district to fulfill its rights, duties, and authority under this Section and the ordinance of the governing authority of the city of Alexandria. The district may invest any or all of the net proceeds in the manner provided by law.

(15) Any pledge of tax revenues or other monies made by the commission shall be valid and binding from the time when the pledge is made. The tax revenues or monies so pledged and thereafter received by the commission shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the commission irrespective of whether such parties have notice thereof.

(16) The books of the district shall be audited by an independent certified public accountant annually, and the accountant shall make a written report of his audit to the commission and to the

governing authority of the city of Alexandria. The books of the district shall be subject to audit by the legislative auditor in the manner provided by law.

J. The district shall dissolve and cease to exist one year after all bonds, notes, and other evidences of indebtedness of the district, including refunding bonds, are paid in full as to both principal and interest; however, in no event shall the district have an existence of less than three years.

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

Acts 2003, No. 1217, §1, eff. July 3, 2003.