

Economic Development Financing at Local Level; HB 2086

HB 2086 revises provisions pertaining to economic development financing used by local units of government.

The bill allows costs for infrastructure improvements contiguous to a redevelopment district to be funded by the tax revenues generated from within the district, provided the infrastructure is necessary for the implementation of the redevelopment plan.

The bill also allows costs for infrastructure contiguous to a community improvement district (CID), including infrastructure costs related to a project within or substantially for the benefit of the CID, to be funded by the tax revenue generated from within the district.

Under previous law, in order to be eligible for funding, improvements had to be within the redevelopment district or CID.

Cities and counties under previous law were required to pledge all of their transient guest taxes and local sales and use taxes generated from within either type of district to make payments on special obligation bonds, if issued. The bill permits cities and counties to pledge a portion of the revenue to make payments on the bonds.

The bill also provides for a 26th property tax exemption for land owned by a municipality that is part of a public levee that is leased to a private party.