Rep. Porter, Hills. 1
March 12, 2019
2019-0996h
10/04

Amendment to HB 540-LOCAL

Amend the bill by replacing all after the enacting clause with the following:

1 New Section; Municipal Finance Act; Redevelopment District Bonds. Amend RSA 33 by inserting after section 19 the following new section:

33:20 Redevelopment Districts in Unincorporated Places and Redevelopment District Bonds. In an unincorporated place, the county commissioners, with the approval of a majority of the county convention present and voting, may: (i) separately from, and in addition to, bonds guaranteed pursuant to RSA 162-I:9-a, authorize the issuance of bonds by the county, the source for repayment of which shall be limited to assessment revenues generated by redevelopment districts created under this section, and shall not be a general obligation of the county and not included in net indebtedness as defined in RSA 33:1, III; and (ii) establish redevelopment districts to ensure that assessment revenues generated hereunder from revitalization projects are sufficient to repay such bonds. The boundaries of the redevelopment district shall be configured so that it includes, but is not limited to, all of the property available to be developed, redeveloped, or revitalized through the issuance of such bonds, or otherwise benefiting from the improvements financed, in whole or in part, with the proceeds of any bonds issued by the county hereunder or bonds issued by the business finance authority and guaranteed pursuant to RSA 162-I:9-a. Every owner of each lot or parcel located within the redevelopment district shall be subject to an assessment. The amount of the assessment shall be sufficient to provide for repayment of the debt service related to the bond. The terms of any bonds to be issued by the county, and the amount of the assessment, payment terms and method for collection, shall be established in a financing plan prepared by the bond recipient and adopted by the county commissioners. The financing plan shall include the delegation of collection responsibilities to the county. The county commissioners may enter into such agreements as they deem necessary to ensure repayment and to implement the financing plan and including without limitation such terms and conditions as is deemed necessary to provide for the segregation and pledge of the assessments to secure repayment of the bonds. The assessment shall be used solely to pay debt service related to the bond and pay the county's expenses of establishing and administering the redevelopment district and issuing the bonds. The incremental increase in value of any project located in a redevelopment district shall be exempt from all property taxes and shall not be considered in the apportionment of county taxes to the unincorporated place, for so long as any bonds issued under this section or guaranteed pursuant to RSA 162-I:9-a, I remain outstanding. The equalization and apportionment provisions of RSA 21-J shall be applied in a manner consistent with the foregoing sentence. Any unpaid assessment under this chapter shall constitute a lien pursuant to RSA 80 on the assessed property. Collection and enforcement of assessments under this section shall be in accordance with RSA 80. The county commissioners may negotiate a payment in lieu of taxes agreement with the project developer or developers in the redevelopment district who shall also pay all fees for an independent bond counsel. In order to establish a redevelopment district, issue bonds, and adopt a financing plan hereunder, the county commissioners must find that such actions will likely create, revive, or preserve employment opportunities or increase the social or economic prosperity of the county, any of which would be in the public interest. The county commissioners may negotiate with the project developer or developers to arrange for administration of the redevelopment district, including without limitation fire protection and public safety services, and to provide funding for said administration and services through assessments on available valuation of property within the redevelopment district, fees to property owners, direct payment by a developer or developers, or other means. Under no circumstances shall the county or the unincorporated place, as issuer of a bond under this section, have any obligation of any kind to repay any of the principal or interest of the bond. In this section, "redevelopment district" in an unincorporated place means an eligible facility in an unincorporated place designated as a redevelopment district by the county commissioners.

2 Effective Date. This act shall take effect upon its passage.

2019-0996h

AMENDED ANALYSIS

This bill permits the establishment by a county of a redevelopment district in an unincorporated place and allows the county to issue bonds for revitalization projects.