

NINETEENTH JUDICIAL DISTRICT COURT
PARISH OF EAST BATON ROUGE
STATE OF LOUISIANA

CASE NO.:

DIVISION:

DARRELL GLASPER, SR.

VERSUS

LOUISIANA STATE UNIVERSITY ECONOMIC DEVELOPMENT DISTRICT and
LSU EDD ATHLETIC SUBDISTRICT

FILED: _____
DEPUTY CLERK

PETITION FOR DECLARATORY AND INJUNCTIVE RELIEF

As we have seen in recent elections, Baton Rouge voters are sensibly wary of new taxes. So the Defendants here – two economic development districts controlled by the President of the Louisiana State University – tried to arrange things so that they can raise taxes on more than a hundred businesses near LSU without any voter approval whatsoever. They are poised to seize approximately \$161 million in sales and hotel taxes over thirty years.

What will this taxpayer money be used for? Publicly, the Defendants have said there is no plan for the money. For example, at a recent Metro Council meeting, LSU EDD board member John Engquist said “there is no use been determined right now; that will happen at a future date.” But in private text messages and emails, the persons involved secretly admit that there is a plan. The plan is that much or all of the taxpayers’ money will be given to the developers of the new LSU sports arena. One lawyer involved, Charles Landry, wrote that the arena “project gets both cents of new taxes. That has been the deal from day one.” And he was emphatic that the public not learn about these secret plans, writing: “PLEASE DO NOT SHARE THIS WITH ANYONE AT LSU. WE CANNOT EXPOSE THIS TO A PUBLIC RECORDS REQUEST.”

This effort to secretly give millions of dollars of taxpayer money to private developers without voter approval or knowledge is illegal and unconstitutional. The Plaintiff is not seeking to stop anyone from building the arena. But if a private arena is going to be built, it should not be secretly funded with non-voter-approved tax increases. This Court should declare that the taxes are illegal and enjoin the giveaway of taxpayer money.

I. Parties:

1. Petitioner **Darrell Glasper, Sr.** is a person of the age of majority residing in Baton Rouge, Louisiana.

2. He is subject to Defendants' sales taxes.

3. For example, most mornings he has breakfast at Louie's Coffee in the LSU EDD.

4. Defendant **Louisiana State University Economic Development District** ("LSU EDD") is a political subdivision of the State of Louisiana. It is domiciled in East Baton Rouge Parish.

5. Defendant **LSU EDD Athletic Subdistrict** ("Subdistrict") is a political subdivision of the State of Louisiana. It is domiciled in East Baton Rouge Parish.

II. Jurisdiction and Venue:

6. This Court has broad subject-matter jurisdiction over all civil matters pursuant to La. Const. Art. 5, Sec. 16.

7. Furthermore, La. Const. art. VII §3(A) provides that the "legislature shall prohibit the issuance of process to restrain the collection of any tax. It shall provide a complete and adequate remedy for the prompt recovery of an illegal tax paid by a taxpayer."

8. For that reason, "a 'legality' challenge [to a tax] may be filed directly in the district court." *PBGS, L.L.C. v. Duplechain*, 13-278 (La. App. 3 Cir 12/18/13), 130 So. 3d 45, 51.

9. The method of doing so is a declaratory judgment action. *Reg'l Transit Auth. v. Kahn*, 99-2015 (La. App. 4 Cir 08/26/99), 742 So. 2d 960, 966 ("The question in this case is whether the tax is valid. That issue must be decided by a declaratory judgment entered by the trial court.")

10. Venue is proper in this Court under La. Code of Civ. Proc. Art. 42 because Defendants are domiciled there.

III. Factual Background:

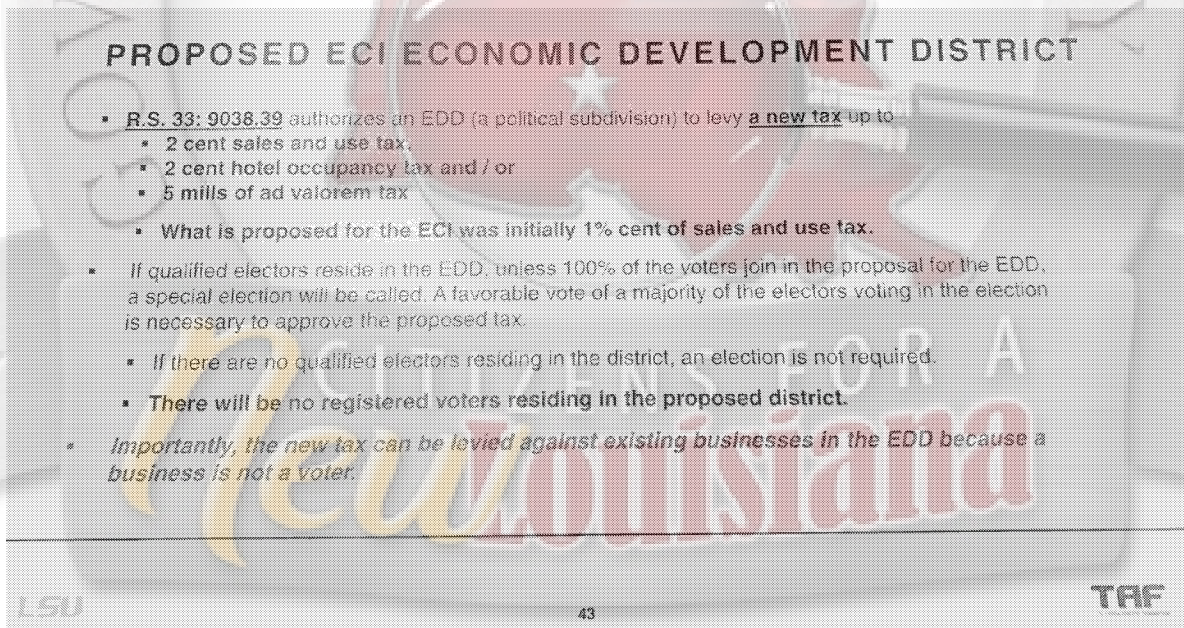
A. **The LSU EDD was created in an effort to allow LSU to raise taxes on local businesses and taxpayers without voter approval.**

11. According to Charles A. Landry, an attorney who has represented the Tiger Athletic Fund, the origin of the LSU EDD began eight years ago in a conversation between Landry and LSU President Jenkins about setting up an economic development district.

12. Their goal was to set up a governmental entity controlled by the LSU president which could raise taxes on local businesses.

13. Normally, voters would have to approve any tax increase like that.¹ But the framers of the LSU EDD had an idea: what if the state created a taxing district containing *only businesses* and *no voters*? Could they avoid an election entirely if there were no voters?

14. They decided to try. According to a slide deck, the plan was that there “will be no registered voters in the proposed district” and the new taxes could be imposed on local businesses without an election because “a business is not a voter.”



15. In 2022, they began to draw the lines for the proposed district.

16. Their goal in drawing the lines was to have “no voters residing in the district.”

17. But they ran into a problem: they kept finding voters registered at addresses within the potential district, even when they drew the lines intentionally to avoid residential areas.

¹ R.S. 33:9038.39.

18. They wrote to East Baton Rouge Registrar of Voters Steve Raborn, explaining that the “process requires no voters residing in the district; I was wondering if we could go through the same challenge process for these erroneous addresses as we did in 2021.”

19. Mr. Raborn contacted Baton Rouge’s Department of Information Services, which confirmed in January 2023 that some of the voters in the proposed district were registered to apartment buildings.

20. That is to say, there were real voters in the proposed district.

21. So the framers had to pivot; if they could not *draw* the district to exclude voters, they would try to *definitionally* exclude voters.

22. To that end, the state legislature passed Act 203 of the 2023 Regular Session.

23. That statute enacted R.S. 33:9038.76,² which established a Louisiana State University Economic Development District (LSU EDD) and a similar EDD for Southern University. This is the general geographic area of the LSU EDD:³



24. The LSU president has complete control over the LSU EDD.

² Act 203 says it is enacting “R.S. 33:9038.75.” But the statute was codified as R.S. 33:9038.76 – probably because Act 204 of the same session *also* enacted a “R.S. 33:9038.75.”

³ Available online at <https://data-ebrgis.opendata.arcgis.com/datasets/economic-development-district/explore?location=30.408178%2C-91.189822%2C14.47>

25. He serves as chairman of the board and can appoint all other board members.⁴

26. Act 203 gives the LSU EDD the “power to levy taxes within the district pursuant to R.S. 33:9038.39.”⁵

27. According to the LSU EDD, it is “empowered to levy up to five mills of ad valorem taxes, up to two percent (2%) of sales taxes, or up to two percent (2%) of hotel occupancy taxes, or any combination of such taxes.”

28. And to avoid voter scrutiny of these tax increases, Act 203 is written in an attempt to definitionally exclude any voters.

29. Specifically, it provides that:

Notwithstanding anything to the contrary in the property descriptions provided in Subparagraphs (a) and (b) of this Paragraph, whether specifically identified or not, no portion of the LSU EDD shall include any tract of land that is used for residential purposes, except for hotels, motels, inns or bed and breakfasts for temporary occupancy, in any form or fashion, including, without limitation, private or public homes, residences, housing, dwellings, apartments, studios, flats, townhomes, condominiums, cooperatives, residential rooms, residential beds, dormitories, student residences and housing, student apartments, fraternity houses, sorority houses, student residential quarters or other form or housing, as of the effective date of this Act, individually and collectively “Residential Properties”. All Residential Properties are deemed District Exclusions. In the event that the description of the LSU EDD set forth above includes any of the District Exclusions, such District Exclusion shall not be considered as a component of the LSU EDD.⁶

30. The LSU EDD has no employees, but it does have an uncompensated “Interim Administrator,” Sean Porter. Mr. Porter is Assistant General Counsel at the LSU Foundation.

B. A plan is hatched for the new sports arena to lease land from Defendants.

31. The LSU EDD was completely inactive – at least publicly – for the first two years of its existence. But work was going on behind the scenes.

32. In early 2024, the Tiger Athletic Foundation engaged a consultant to analyze the feasibility of a new arena to serve LSU Athletics and live entertainment shows in the Baton Rouge market.”

⁴ Act 203(C)(2).

⁵ Act 203 (D)(10).

⁶ Act 203 (B)(1)(c). Notably, there is a scrivener’s error in the codification of Act 203 into the revised statutes. Act 203 defines the term “Residential Properties” to mean the land used for residential purposes as of the effective date of the act. It then states that “All Residential Properties are deemed District Exclusions.” But the codification into R.S. 33:9038.76 dropped the capitalization, and says “All residential properties are deemed district exclusions.” Referring back to Act 203 makes clear, however, that it isn’t the case that all residential properties are district exclusions – only the specifically defined Residential Properties.

33. In June 2024, the Oak View Group (OVG) was the sole respondent to the LSU Arena request for proposals, and submitted a proposal that contemplated “OVG and equity partners to invest \$225M, LSU and other public entities to invest \$115M.”

34. According to public reporting and documents, OVG has a sordid history.

35. The former CEO and Co-founder of Oak View Group, Tim Leiweke, was indicted in July 2025 on federal charges by a Texas grand jury.

36. The charges stem from alleged bid-rigging and fraud connected to the University of Texas Moody Center project in Austin, a \$375 million University arena Oak View Group helped finance and manage.

37. Federal prosecutors alleged Leiweke and other executives conspired to manipulate the competitive bidding process, steering contracts toward preferred partners and concealing conflicts of interest.

38. As one Department of Justice official put it, Leiweke “rigged a bidding process to benefit his own company and deprived a public university and taxpayers of the benefits of competitive bidding.”⁷ Mr. Leiweke recently received a presidential pardon.

39. Here, the plan was that Defendants would lease the public land to the private developers for the arena.

40. Specifically, the arena entity would “execute a 50-year primary term ground sublease with one 25-year option and one 24-year option with the LSU EDD Athletic Subdistrict (‘Athletic Subdistrict’) for rights to the 30-acre arena project site.”

41. Then the LSU EDD Athletic Subdistrict would receive rent back from OVG.

42. Part of the reason why the land would be leased from the LSU EDD Athletic Subdistrict to OVG would be to allow the developers to avoid paying property taxes.

C. The LSU EDD begins work: it creates a subdistrict within itself and begins imposing taxes without holding elections.

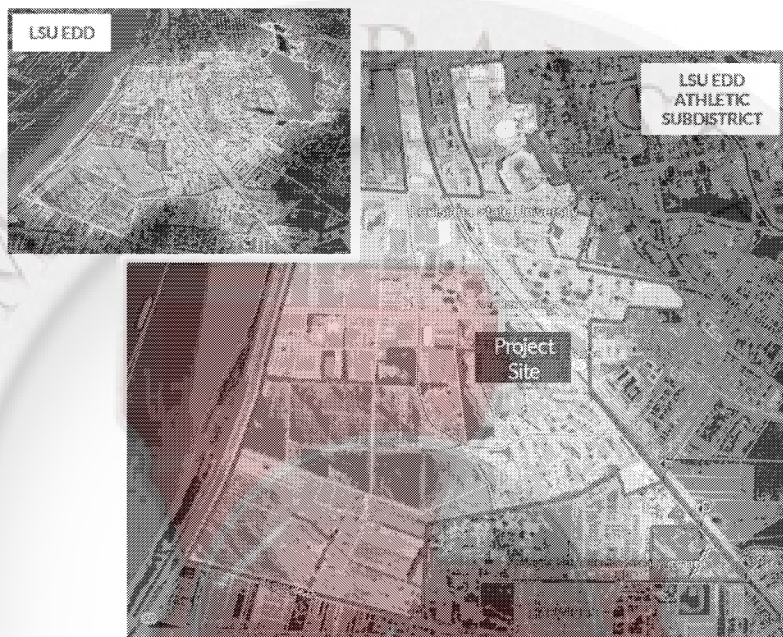
43. On June 19, 2025, the LSU EDD had its first meeting, in which it nominated officers, set out terms of office, and adopted bylaws.

⁷ Robert Mackey, *Trump pardons entertainment exec indicted by his own justice department*, The Guardian (Dec. 3, 2025).

44. At that meeting, the board also approved a resolution declaring its intention to create a subdistrict named the LSU EDD Athletic Subdistrict.

45. The LSU EDD Athletic Subdistrict “includes a portion of the LSU Campus and does not include the businesses at North Gate and South Gate, but does include the bars in Tiger Land.”

46. This shows the scope of the LSU EDD and LSU EDD Athletic Subdistrict:



47. The boundaries of the Subdistrict were later modified to “to remove areas that have been recently been identified by the Board of Supervisors for student housing and other University related uses.”

48. Also at that June 19, 2025 meeting, the LSU EDD Board passed a resolution declaring its intent to levy a 1% sales tax and 1% hotel occupancy tax commencing October 1, 2025.

49. On July 17, 2025, the LSU EDD Board voted to approve the sales tax and hotel occupancy tax. No members of the public were present to make comment.

50. Estimates of how much money the tax will raise vary. In one estimate, the tax “will generate roughly \$1.45 million annually.” Over 30 years, with inflation, that is anticipated to be almost \$100 million – without even accounting for arena sales.

51. Another estimate put it at \$131.7 million over 30 years for the LSU EDD and \$29 million over 30 years for the subdistrict.

52. Roughly 109 businesses are covered by the LSU EDD.

53. On July 18, 2025, the LSU EDD recorded a Notice of Levy of New Tax with the clerk of court.

54. On August 13, 2025, a Baton Rouge Metro Councilperson requested an item be added to the Metro Council agenda to approve the LSU EDD's sales and hotel taxes.

55. On August 27, 2025, the Baton Rouge Metro Council took up and unanimously approved the resolution.

56. On August 28, 2025, the LSU EDD Board met again and approved a resolution "ratifying and confirming" the sales tax and hotel occupancy tax. This time there was one public comment raising concerns about the constitutionality of the tax given Article VI, Section 29 of the Louisiana Constitution. The same day, the Board recorded a Notice of Levy of New Tax with the EBR clerk of court.

57. On November 11, 2025, the Subdistrict announced that it "intends to adopt a resolution authorizing the levy and collection of (a) a one percent (1%) tax upon the sale at retail, the use, the lease or rental, the consumption and storage for use or consumption of tangible personal property and on sales of services in the Subdistrict and (b) a one percent (1%) hotel occupancy tax within the Subdistrict commencing January 1, 2026."

58. On December 10, 2025, the Baton Rouge Metro Council approved a resolution regarding the Subdistrict's tax increase.

D. The Districts run into a problem – despite their efforts to exclude them, the Registrar of Voters found more than a hundred possible voters in the Districts.

59. R.S. 33:9038.39 provides that an economic development district may levy taxes "only after the governing authority of the district has called a special election submitting the proposition for the levy of such taxes to the qualified electors of the district and the proposition has received the favorable vote of a majority of the electors voting in the election."

60. But there is an exception in that statute: "in the event there are no qualified electors in the district as certified by the registrar of voters, no such election shall be required."

61. As a result, because Defendants were trying to raise taxes without voter approval, they wanted a certification from EBR Registrar Steve Raborn that "there are no qualified electors in the district."

62. But the Districts ran into problems in obtaining that certification from Mr. Raborn.

63. The first problem was that the framers of Act 203 hoped to definitionally exclude voters from the LSU EDD. But for whatever reason, Act 203 did not do that – at least not completely.

64. Instead of categorically excluding any land used for residential purposes, Act 203 only excluded “any tract of land that is used for residential purposes . . . as of the effective date of this Act.”⁸

65. The effective date of the Act was June 8, 2023.

66. As a result, if any land was *not* being used for residential purposes on June 8, 2023, but *is* used for residential purposes today, then it would *not* be excluded from the LSU EDD.

67. Therefore, there could be qualified voters in the District if there has been any new residential construction since summer 2023, or any resumption of residential use that was paused during June 2025, or even any homeless persons moving to property in the District in the last two and a half years.

68. That makes it very hard for anyone to categorically and truthfully say there are no voters in the District at any given point in time after June 8, 2023.

69. Likely for that reason, Raborn’s initial certificates were carefully worded, and only certified that there were no registered voters in the districts *as of the effective date of Act 203* – which is definitionally true.

70. On June 6, 2024, Raborn certified that “there are no registered voters residing within the District as of the District Effective Date.”

71. And on May 27, 2025, Raborn certified “that there are no registered voters” in the LSU EDD Athletic Subdistrict as of June 8, 2023. (Notably, the LSU EDD Athletic Subdistrict did not exist at that time – it had not been created yet.)

72. Part of the reason Raborn was careful in his wording of the initial certificates is that his office had actually found voters registered to addresses potentially within the LSU EDD.

73. His office had identified within the LSU EDD’s geographic boundaries one voter registered to 3930 Burbank Drive (a shopping center), nine voters registered at 3810 W. Lakeshore

⁸ Act 203 (B)(1)(c).

Drive (the LSU System Building), and 115 voters registered to the LSU campus in general:

Addresses Located Within LSU EDD with Voters

| Street Number | Street Name | Number of voters as of 2/21/24 | Notes |
|---------------|------------------|--------------------------------|--|
| 3930 | Burbank Dr. | 1 | Shopping Center |
| 3810 | W. Lakeshore Dr. | 9 | System Building |
| | LSU Campus | 115 | Voters could be located at any building on campus. |
| | | | |
| | | | |

74. This was a problem. Raborn couldn’t truthfully certify that there were no voters in the LSU EDD because he didn’t know exactly where the 125 voters were located or when those locations started or stopped being used for residential purposes.

75. Raborn asked the Attorney General’s office for advice.

76. And public figures started putting pressure on Raborn to sign the certificate.

77. For example, on December 6, 2023, Charles Landry wrote to Raborn that “I received a call earlier in the week from Senator Cleo Fields asking about the status of your AG request.” Senator Fields specifically wanted to know what questions Raborn asked of the attorney general’s office.

78. On December 13, 2023, Landry wrote to Raborn: “Senator fields would like to know your contact at the Attorney General office.”

79. Raborn’s office responded by sending Landry the list of “addresses that we have identified within the LSU EDD district with registered voters.”

80. On April 28, 2025, the Attorney General’s office sent Raborn a memo “relating to the economic development districts created by Act 203.”

81. We don’t know exactly what that memo said, but it appears that the Attorney General’s office came up with an approach to the dilemma: while Raborn couldn’t *personally* verify the absence of voters within the district, perhaps he could just rely on a sworn statement of *someone else* that there were no voters in the LSU EDD.

82. That same day, the president of LSU executed an affidavit saying he has “extensive knowledge of the facilities in which persons reside on the LSU Baton Rouge Campus.”

83. He noted that students only “may reside” in the “LSU Student Housing Facilities” which are “specifically excluded” from the LSU EDD.

84. He then concluded that no LSU student “resides in the LSU EDD because all LSU student housing facilities are excluded from the EDD.”

85. That is to say, the LSU president said that because LSU students are not *allowed* live in the LSU EDD, there *must not be* any student voters in the LSU EDD.

86. That is, of course, absurd: no one honestly believes that every LSU student only does what LSU’s rule allow them to do.

87. Also, the LSU president’s logic is faulty: the LSU EDD does not exclude all student housing facilities; only such facilities that were used for residential purposes on June 8, 2023.

88. Any new construction since 2023 would not be excluded from the LSU EDD.

89. The president’s conclusion also ignores the possibility of a homeless person using a piece of property within the LSU EDD for residential purposes, even if that is not allowed.

90. But the LSU president’s affidavit was apparently sufficient for Raborn.

91. On August 25, 2025, Charles Landry’s team asked Raborn’s team for a new certificate “with an updated date of the day he signs this week.”

92. On August 27, 2025, Raborn provided a new certificate saying that there were “no registered voters” in the LSU EDD as of August 27, 2025.

E. The LSU EDD framers deceive the public about the use of the taxpayer money.

93. Some people have asked why the Defendants are raising taxes on businesses.

94. Publicly, Defendants have said there is no plan for the money.

95. For example, Charles Landry and LSU EDD board member Robert Stuart Jr. told the Advocate that neither the LSU EDD nor the subdistrict’s taxes “would be used to pay for the arena. The revenue from the sales tax would go to the operation of each district, Stuart and Landry noted.”⁹

⁹ Patrick Sloan-Tyler, *Plans move forward for new LSU arena with proposed new sales tax. No word on developer yet*, Advocate (May 22, 2025). Notably, Charles Landry appears to have identified himself to the Advocate as “LSU Economic Development District legal counsel” – but that appears to be untrue. He is described elsewhere as lawyer for the Tiger Athletic Fund, and the LSU EDD has no invoices from him for legal services. At the August 27, 2025 Metro Council meeting, he said “I’m here as a volunteer, I’m not being paid, I don’t represent the EDD.” On December 16, 2025, a representative of the LSU EDD confirmed that “Mr. Landry is not (and has not been) a lawyer for the EDD.”

96. Similarly, at an August 27, 2025 Metro Council meeting, LSU EDD Board member John Engquist said “there is no use been determined right now; that will happen at a future date.”

97. And Landry told Metro Council that “the tax would not automatically go to Oak View Group, the arena’s sole finalist developer, though the district board could decide to direct revenue to projects within the development.”¹⁰

98. But privately, they acknowledge that the public story is false.

99. The day after the Advocate story came out, Robert Stuart privately sent a text message to incoming interim LSU president Matt Lee.

100. He wrote: “You will become Chair of the LSU districts when you become President. The authority allows LSU to tax an additional penny on sales in the district that can be used at LSU’s discretion for economic development. There is a smaller athletic sub district that can have a penny dedicated to athletics. It is anticipated the both Penny’s collected in the arena will be rebated to the developer.”

101. In other words, Stuart told the public that the sales tax money would go to the operation of the public entity. But he secretly told the incoming LSU president something different – that the money would be rebated to the developer.

102. Similarly, on March 6, 2025 Charles Landry wrote “we are losing funds now and I need the subdistrict formed for the Arena project” and “if we proceed with the Arena, we have to get the Subdistrict formed.”

103. Then, on August 2, 2025, Charles Landry circulated a slide deck about the project and the LSU EDD’s involvement with the commentary that: “Here are the current projects for the two EDDs.” He was explicit that this was secret, writing “PLEASE DO NOT SHARE THIS WITH ANYONE AT LSU. WE CANNOT EXPOSE THIS TO A PUBLIC RECORDS REQUEST.”

104. The slide deck revealed that the taxpayer money was going to the arena project. It said that the “LSU EDD and the Athletic Subdistrict will contribute two cents of sales and use tax to support the arena. The sales and use tax will be generated from activity within the arena.”

¹⁰ Allyson Bird, *Metro Council approves \$1.16M River Center contract, new LSU tax district*, Unfiltered with Kiran (Aug. 28, 2025).

105. Landry wrote: “As to the EDD taxes, this project gets both cents of new taxes. That has been the deal from day one.”

106. This appears to be contrary to the explicit promises made when Act 203 was passed. Landry wrote that “at the time the EDD was being created, the businesses in the EDD were promised that at least a portion of sales tax increments outside the Arena Lot and Mixed Use Lot would be used for infrastructure improvements that will benefit those businesses.”

107. The idea of Defendants giving taxpayer money to the developer is strange. The arena developers plan to lease land from the LSU EDD Athletic Subdistrict. Usually a tenant pays the landlord – not the other way around. Accordingly, it is very odd for money to be going from the LSU EDD and Subdistrict to the developers, rather than from the developers to the districts.

IV. CAUSES OF ACTION

First Cause of Action:

Declaratory Relief for Violation of Louisiana Law and the Louisiana Constitution

A. Defendants’ taxes are illegal because they imposed taxes without voter approval.

108. Louisiana law generally requires voters to approve increases in sales taxes.

109. For example, R.S. 47:337.3(B)(1) provides that “any political subdivision” may continue sales and use taxes “provided that the question of the renewal or continuation of such tax has been submitted to the qualified electors of the political subdivision at an election to be conducted in accordance with the election laws of the state of Louisiana and a majority of those voting in the election have voted in favor of the renewal or continuation of the tax.”

110. Similarly, R.S. 47:337.4(A) states that any “political subdivision which is authorized by the constitution and laws of the state of Louisiana to levy and impose a sales and use tax which proposition is approved by a majority of those voting at an election called for the purpose after July 1, 2003, shall impose, levy, administer, and collect such tax by local ordinance in the manner required by this Chapter.”

111. And R.S. 47:337.69 states that the “question of the funding of the tax by the several political subdivisions receiving the benefit of the avails of the tax is to be submitted to the electors of the parish at the election called by the governing authority of the parish submitting to the electors of the parish the question as to the imposition of the tax, so that the question to be acted upon by the electors of the parish at that time is to cover both the imposition of the tax and the right on the

part of the several political subdivisions receiving any part or portion of these avails to fund the avails into bonds.”

112. These three statutory sections are explicitly incorporated into Act 203. Act 203 says any taxes “shall be imposed, collected, and enforced subject to the terms of the resolution imposing the tax and the provisions of Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950.”¹¹ Act 203 directs that the LSU EDD shall exercise the taxing power “in accordance with the provisions of Part II of this Chapter.”¹²

113. R.S. 47:337.3, 47:337.4, and 47:338.69 fall within Chapter 2 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950.

114. Similarly, R.S. 33:9038.39 provides that an economic development district may levy taxes “only after the governing authority of the district has called a special election submitting the proposition for the levy of such taxes to the qualified electors of the district and the proposition has received the favorable vote of a majority of the electors voting in the election.”

115. R.S. 33:9038.39 contains an exception: that “in the event there are no qualified electors in the district as certified by the registrar of voters, no such election shall be required.”

116. But that exception is not contained within R.S. 47:337.3, 47:337.4, or 47:338.69.

117. As a result, regardless of whether there are voters exist within the districts, sales taxes may only be imposed after a “majority of the electors” approve it. If there are no voters in the districts, then no taxes may be imposed.

B. Defendants’ taxes are illegal because their method of finding no voters is faulty.

118. It was hoped that Act 203 would create a district with no voters, to avoid elections.

119. But whether intentionally or accidentally, Act 203 did not do that.

120. Act 203 only excludes “land that is used for residential purposes . . . as of the effective date of this Act.”¹³

121. The effective date of Act 203 was July 8, 2023.

122. Thus, Act 203 created a district that definitionally had no voters on July 8, 2023.

¹¹ Act 203 (E)(1).

¹² Act 203 (D)(10).

¹³ Act 203 (B)(2)(c).

123. But the as time passes, it becomes more and more likely it is that the district will have voters in it.

124. That is because each year that passes makes it more and more likely that there is at least one piece of land that was not used for residential purposes on July 8, 2023 but is used for residential purposes in the present.

125. As a result, each time Defendants want to impose a tax, they would need to search for the locations of registered voters within the district, and then compare the use of each location on July 8, 2023 with the use of that location in the present.

126. On information and belief, Defendants have never done that.

127. Instead, they just had the Registrar of Voters rely on an affidavit from the LSU president contending that because students may not live in the LSU EDD, there cannot be any registered voters in the LSU EDD.

128. But the “LSU president’s affidavit” method of determining whether there are any voters is inconsistent with the statute because (1) the LSU EDD goes beyond the LSU campus; (2) there could be new residential uses of land since 2023, or the resumption of residential use that was paused in June 2023, (3) there could be homeless voters;¹⁴ and (4) LSU students might do what they are not allowed to do.

C. Defendants’ taxes are unconstitutional to the extent they are intended for public improvements.

129. Under Louisiana’s constitution, a tax must have a purpose. Art. VII, § 1 states that “the power of taxation . . . shall be exercised for public purposes only.” Louisiana courts have required requires a “correlation between a political subdivision’s public purpose and the exercise of its taxing power.”¹⁵

130. And for taxes with certain purposes, an election is required.

¹⁴ Homeless people can be qualified electors. Louisiana’s election code allows for voter registration and voting in a precinct where a person has “an intention to reside there indefinitely.” R.S. 18:101(B). The Attorney General has opined that “homeless persons may register and vote, notwithstanding their lack of a permanent place of residence or traditional residence, so long as they satisfy the constitutional and statutory requirements of citizenship, age and of residence in this state, parish and municipality, including sufficient information to identify the precinct of residence, and a mailing address, and who has not been disfranchised.” La. A.G. Op. 03-352 (Nov 13, 2003). This can be accomplished by “drawing on a locational map, if he has a non-traditional residence.” *Id.*

¹⁵ *Bd. of Dirs. of La. Recovery Dist. v. All Taxpayers, Prop. Owners, etc.*, 529 So. 2d 384, 390 (La. 1988).

131. Specifically, Art. VI, § 32 requires an election for taxes which are for “the purpose of acquiring, constructing, improving, maintaining, or operating any work of public improvement.”

132. Thus, Defendants are in a bind. If their public statements about the taxes are true - that “there is no use been determined right now” - then the taxes fail the constitutional requirement of having a defined purpose that is correlated to Defendants’ public purposes.

133. And if their private statements are true - that the tax money will be given to the arena developers, then Art. VI, § 32 requires an election because an arena on public property likely meets the definition of a “public improvement.”¹⁶

134. LSU’s attorney in a private email even linked Defendants’ taxes to the development of “public improvement projects.”

135. She wrote that the “Arena will be located within the boundaries of each of the LSU EDD and of the Athletics SubEDD, the purpose of each of which is to provide for cooperative and community economic development and the powers of each of which include the ability to acquire property by gift, grant or purchase, to contract for the purchase, acquisition, construction and improvement of works and facilities in connection with the purposes of the EDD, to develop public improvement projects for the benefit of LSU, to finance the foregoing through the issuance of revenue bonds and/or tax increment revenue bonds and to levy up to 2% sales tax and hotel occupancy tax and 5 mills ad valorem tax.”

136. Thus, if Defendants’ public statements are correct, then their taxes are illegal because they violate the requirement that a tax have a purpose. And if their private statements are correct, then their taxes are illegal because they violated Art. VI, § 32’s election requirement.

D. Defendants’ taxes are illegal because the districts have indeterminate boundaries.

137. When a political subdivision’s boundaries are “so vague and uncertain in its calls that no surveyor can locate one of its boundaries, the defect is fundamental, as it affects the location and extent of the taxing district.”¹⁷

¹⁶ In *Abbott v. Parker*, the Louisiana Supreme Court described bonds for a stadium as “public improvement bonds.” 259 La. 279, 296, 249 So. 2d 908, 914 (1971). And the fact that the arena here would be a privately-owned building on public property is no obstacle to it being a public improvement. R.S. 39:524 provides that any “project or undertaking by any such governmental entity from which revenue is or will be derived, whether by lease, rents, fees, charges, or otherwise, shall be considered a revenue-producing work of public improvement within the meaning of this Section.” R.S. 39:1011 holds the same.

¹⁷ *Deblieux v. Bd. of Sch. Dirs.*, 142 La. 147, 150, 76 So. 590, 592 (1917).

138. When a taxing district’s boundaries are indeterminate, courts will declare the levy of its taxes to be “null and void.”¹⁸

139. As a result, a “definite description of the boundaries” of a political subdivision is “essential.”¹⁹

140. Here, the boundaries of Defendants are indeterminate. There is no easy way to determine what land is in the districts, and which land is not.

141. That is because while most political subdivisions define their boundaries by lines on a map, Defendants’ boundaries are defined by lines on a map plus a historical fact – whether the land was or was not in residential use on June 8, 2023.

142. And that historical fact is not readily available.

143. The City of Baton Rouge periodically generates land use maps that show residential uses, but it has no such map for 2023.

144. On information and belief, no map has ever been drawn of the true boundaries of either of Defendants, because such a map would require detailed knowledge of the historical use of every building within Defendants’ geographic perimeter.

145. Take for example Louie’s Café at 3322 Lake Street. If someone buys the building in 2026 and wants to operate a restaurant, they will have no way of knowing whether they are in or out of the LSU EDD because that question will turn on whether someone was living in the back room of Louie’s on June 8, 2023.

146. No surveyor can determine boundaries like these, and so the Defendants’ boundaries are illegally indeterminate.

E. Defendants’ taxes are unconstitutional because of the 3% cap of Article 6, Section 29.

147. In addition to what is described above, the Louisiana Constitution contains another restriction at Art. VI, § 29(A).

148. It applies to “any local governmental subdivision or school board” and states that such a body’s use taxes, “when combined with the rate of all other sales and use taxes, exclusive

¹⁸ *Id.*

¹⁹ *Rice v. Chapman*, 235 La. 257, 262, 103 So. 2d 274, 276 (1958)

of state sales and use taxes, levied and collected within any local governmental subdivision, shall not exceed three percent” without legislative approval and an election of the voters.

149. “Local governmental subdivision” is defined as “any parish or municipality.”²⁰

150. The Louisiana Supreme Court has held that this 3% restriction does not directly apply to special districts like Defendants, because they are by definition not a parish, municipality, or school board.²¹

151. But the 3% restriction would still indirectly apply to Defendants, because Defendants’ taxes would cause the East Baton Rouge Parish’s taxes to exceed 3%.

152. By analogy, imagine a rule that “Jane’s stack of blocks may not exceed three blocks.” If Jane’s stack already has three blocks, may John come add another block? No, because John’s action would cause the rule to be broken.

153. So too here. Defendants’ new taxes would push the combined EBR Parish and school board taxes above 3%.

154. Defendants have legislative language for this: Act 203 states that it “is expressly provided that any sales and use tax levied by a college economic development district or any subdistrict created by the district may exceed the limitation set forth by Article VI, Section 29(A) of the Constitution of Louisiana.”

155. But this language is inconsistent with Article VI, Section 29(B), which only gives the legislature power to approve over-3%-taxes for “local governmental subdivisions or school boards” – not other governmental subdivisions.

156. Furthermore Article VI, Section 29(A) requires both legislative approval and the approval of a “majority of the electors voting thereon in an election held for that purpose” to exceed 3%.

²⁰ Art. 6, § 44(1).

²¹ *Bd. of Dir. of La. Recovery Dist. v. All Taxpayers, Prop. Owners, etc.*, 529 So. 2d 384, 392 (La. 1988) (“Section 29 requires an election only when a local governmental subdivision, i.e., parish or municipality, seeks to levy and collect a sales tax. The Louisiana Recovery District is not a local governmental subdivision.”); *See also Jackson v. Vidalia Riverfront Dev. Dist.*, 07-1569 at *14 (La. App. 3 Cir 05/07/08), 982 So. 2d 346, 352 (agreeing with defendant that “Article VI, Section 29 is inapplicable to the case at bar because it is limited in application by its express language to local governmental subdivisions and school boards and that the District is a special district and a political subdivision created by legislative act in accordance with Article VI, §§ 19 and 30.”).

157. Defendants did not obtain the approval of a “majority of the electors” in an election, and so their taxes are unconstitutional.

F. Defendants’ taxes are illegal because their board fails the statutory requirements.

158. Act 203 requires a college economic development district must have a board in which “[t]wo of the members of the board shall be representatives from businesses within the district.”²²

159. Here, Defendants’ board is made up of:

- a. John Engquist, former Chairman of H&E Equipment Services,
- b. Robert Stuart, President of the LSU Foundation and Chair of LSU’s Real Estate & Facilities Foundation,
- c. Rhoman Hardy, a former Shell executive and now a partner with Bernhard Capital Partners,
- d. Matt Lee, Interim President of LSU, and
- e. Clarke Cadzow, owner of Highland Coffees near LSU’s North Gates.

160. H&E Equipment Services has no locations in the district, and Bernhard Capital Partners’ office is well to the north of the district.

161. Accordingly, Defendants’ board has only one representative from a business within the district – Clarke Cadzow of Highland Coffees.²³

Second Cause of Action:
Injunctive Relief for Violation of the Louisiana Constitution

162. Art. VII, Section 14 of the Louisiana Constitution states that with certain exceptions, “the funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private.”

163. This is referred to as the prohibition on “gratuitous donations.”

²² Act 203(C)(2)(b).

²³ One of Defendants’ slide decks refers to Robert Stuart – a non-profit executive – as the other business representative. But a non-profit is not a “business.” See *Plechner v. Widener Coll., Inc.*, 569 F.2d 1250, 1262 n.6 (3d Cir. 1977) (“the association is not a business corporation, but a nonprofit organization”)

164. For a transaction to not be a gratuitous donation, the public entity must have a “demonstrable, objective, and reasonable expectation of receiving at least equivalent value in exchange for the expenditure or transfer of public funds.”²⁴

165. Here, Defendants will be taking millions of dollars from businesses and taxpayers near LSU.

166. Much or all of that money will then be given to the private arena developers.

167. Charles Landry described this as a “giving” when he wrote: “New 2 cents from EDDs will apply on all tickets and on concessions - we are giving this to them.”

168. But the private developers will not be giving the Defendants anything in return for that money.

169. In fact, the arena developers will be leasing land from the LSU EDD Athletic Subdistrict to build the arena on.

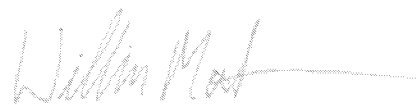
170. For that reason, the developers should be giving money to the Subdistrict – not the other way around.

PRAYER

WHEREFORE, Petitioner prays for the issuance of declaratory judgment that Defendants’ impositions of taxes without voter approval are unlawful, and an injunction against the gratuitous donation of Defendants’ tax proceeds. Petitioner further prays for all costs of these proceedings and attorneys’ fees; and such other and further relief as this Court deems just and proper, including all general and equitable relief.

Respectfully submitted,

MOST & ASSOCIATES



WILLIAM MOST (La. Bar No. 36914)

HOPE PHELPS (La. Bar No. 37259)

DAVID LANSER (La. Bar No. 37764)

201 St. Charles Ave., Ste. 2500, #9685

New Orleans, LA 70170

Tel: 504.509.5023

²⁴ La. Attorney General Op. 16-0198 at 2, citing La. Atty Gen. Op. Nos. 10-0299, 10-0171, 09-271, and 09-0260. *See also Bd. of Dirs. of the Indus. Dev. Bd. of the City of Gonzales, La., Inc. v. All Taxpayers*, 2005-2298 (La. 9/06/06), 938 So. 2d 11, 21 (donation not gratuitous “if the value of the object given does not manifestly exceed that of the charges imposed on the done”).

Fax: 504.414.6400

Email: williammost@gmail.com

hopeaphelps@outlook.com

david.lanser@gmail.com

Counsel for Petitioner

Sheriff Please Serve:

Louisiana State University Economic Development District

via Sean Porter, Interim Administrator of the District

3796 Nicholson Dr

Baton Rouge, LA 70802

225-578-3050

admin@lsuedd.org

LSU EDD Athletic Subdistrict

via Sean Porter, Interim Administrator of the District

3796 Nicholson Dr

Baton Rouge, LA 70802

225-578-3050

admin@lsuedd.org

