

House Bill 642

By: Representatives Nimmer of the 178th, Stephens of the 164th, Gardner of the 57th, Kelley of the 16th, and Fleming of the 121st

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 36 of the Official Code of Georgia Annotated, relating to local government,
2 so as to provide definitions; to provide for the creation and termination of special
3 improvement districts; to provide for the levying of a special improvement tax in such
4 districts; to provide for the disposition and use of the funds from such districts; to provide
5 for special services to the districts; to provide for an effective date; to provide for
6 termination; to provide for related matters; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Title 36 of the Official Code of Georgia Annotated, relating to local government, is amended
10 by adding a new chapter, which was reserved, to read as follows:

11 "CHAPTER 77

12 36-77-1.

13 As used in this chapter, the term:

14 (1) 'Special improvement district' means a special service district created pursuant to this
15 chapter pursuant to the provisions of Article IX, Section II, Paragraph VI of the Georgia
16 Constitution.

17 (2) 'Special improvement tax' means a tax, fee, or assessment levied by the governing
18 authority in which the special improvement district is located based upon the
19 recommendation of the administrative body of the special improvement district.

20 (3) 'Supplemental services' means those services provided for the improvement and
21 promotion of the special improvement district, including, but not limited to, advertising,
22 promotion, sanitation, security, affordable housing, infrastructure projects, trails, and
23 other development related services.

24 (4) 'Surface transportation project' means a project for public improvement and any
 25 related public facilities which is planned to impact 10,000 or more acres and at least ten
 26 transit miles within the area of operation of the sponsoring local government, including
 27 any related facilities, systems, parks, trails, streets, greenspace, and any other integrated
 28 public or private development features included within any adopted infrastructure or
 29 transportation plan, urban redevelopment plan, strategic implementation plan,
 30 redevelopment plan, workable programs, or comprehensive plans; provided that the
 31 location of such surface transportation project is wholly within a county or counties that
 32 impose a sales tax levied for the purposes of a metropolitan area system of public
 33 transportation; and provided, further, that the project is within the boundaries of a tax
 34 allocation district authorized under the provisions of Chapter 44 of this title.

35 (5) 'Taxpayer' means any entity or person paying ad valorem taxes on real or personal
 36 property, whether on one or more businesses or one or more parcels of property within
 37 a special improvement district.

38 36-77-2.

39 (a) The governing authority of any municipality or county which has an area in which is
 40 located a surface transportation project may create or renew one or more special
 41 improvement districts by the adoption of district plans as provided in this Code section.

42 (b) No such plan may be adopted except upon a written petition signed and acknowledged
 43 by either:

44 (1) At least 51 percent of the taxpayers, as shown by the most recent list of taxpayers
 45 billed by the municipality or county, of the district proposed for creation or extension; or

46 (2) Taxpayers owning at least 75 percent by assessed value, as shown by the most recent
 47 assessment rolls of the municipality or county, of the taxable property subject to ad
 48 valorem real and personal property taxation in the district.

49 (c) Such petition shall be accompanied by a proposed district plan which shall include:

50 (1) A budget to implement the plan;

51 (2) A formula for imposing a special improvement tax on the taxpayers within the
 52 special improvement district;

53 (3) The categories of supplemental services to be funded by the special improvement tax;

54 (4) A map that shows the geographic boundaries of the proposed special improvement
 55 district which shall include a surface transportation project, but shall not include an area
 56 larger than an officially adopted planning area directly associated with such surface
 57 transportation project; and

58 (5) The structure of an administrative board for the special improvement district to be
 59 composed of a panel of not less than five and not more than 13 property owners who shall

60 be residents of, or represent commercial property owners of, taxable property located in
 61 the special improvement district with property holdings in such district for no less than 18
 62 months preceding the date of their respective appointments.

63 (d) The petition shall be presented to the governing authority of the municipality or
 64 county, which shall approve, approve with modifications, or disapprove the plan.

65 (e) Upon petition of the entity contracted to provide the services as set forth in
 66 paragraph (3) of Code Section 36-77-3, the district plan may be amended from time to time
 67 or its budget may be revised by ordinance.

68 36-77-3.

69 Upon the establishment of a special improvement district pursuant to this chapter and
 70 Article IX, Section II, Paragraph VI of the Georgia Constitution, the governing authority
 71 of any municipality or county shall have authority to exercise the following powers with
 72 respect to each such district, subject to this chapter:

73 (1) To adopt a district plan for the provision of supplemental services to the district;

74 (2) To fix and levy annually a special improvement tax by levying a millage upon real
 75 property carrying a commercial or commercial residential land use designation as
 76 designated by the tax commissioner for the applicable county or municipality, to make
 77 such assessments and liens upon the properties, and to enforce such liens in the same
 78 manner as other city taxes; and

79 (3) To provide supplemental services, or to contract with nonprofit corporations or an
 80 administrative board of the district created pursuant to this chapter, for all or part of the
 81 supplemental services required to implement the plan; provided, further, that the effective
 82 date of such services agreement relating to the provision of the services to be funded by
 83 the special improvement district shall come into effect not more than one year from
 84 passage of the resolution or ordinance creating the special improvement district.

85 36-77-4.

86 The expense incurred in the provision of supplemental services within a special
 87 improvement district shall be financed in accordance with the district plan upon which the
 88 establishment or extension of the district was based, provided that the cost of supplemental
 89 services shall not include the cost to the district of services performed by the municipality
 90 or county on a city-wide or county-wide basis. Any property tax charges shall be levied
 91 and collected in the same manner, at the same time, and by the same officers as other city
 92 or county taxes and assessments.

93 36-77-5.

94 No charges assessed and collected by a municipality or county pursuant to this chapter
95 shall be spent for any purpose not authorized by the district plan of the special
96 improvement district where such charges were assessed and collected.

97 36-77-6.

98 Any special improvement district which is created or renewed pursuant to Code Section
99 36-77-2 shall terminate and cease to exist upon the governing authority receiving a petition
100 of the real property owners which constitute at least 75 percent by value of all real property
101 within the special improvement district; provided, however, that the termination shall in
102 no case take effect until the special improvement district shall have paid, or provided for
103 payment in full, of all outstanding debt, costs, and services contracted for at the time of the
104 petition for termination."

105 **SECTION 2.**

106 This Act shall become effective upon its approval by the Governor or upon its becoming law
107 without such approval.

108 **SECTION 3.**

109 All laws and parts of laws in conflict with this Act are repealed.