

The Senate Committee on State and Local Governmental Operations offers the following substitute to SB 182:

A BILL TO BE ENTITLED
AN ACT

1 To provide for the creation of one or more community improvement districts in Newton
2 County and in each municipality therein; to provide for a short title; to provide for the
3 purposes of such districts; to provide for definitions; to provide for boards to administer such
4 districts; to provide for appointment or election of members of such boards; to provide for
5 taxes, fees, and assessments; to provide for the boundaries of such districts; to provide for
6 the debt of such districts; to provide for cooperation with local governments; to provide for
7 powers of such boards; to provide for general obligation bonds, notes, and other obligations
8 of such districts; to provide for the form of bonds, provisions for exchange and transfer,
9 certificates of validation, specification of interest rates in notice to the district attorney or the
10 Attorney General and in notice of validation hearing and definition of terms "cost of the
11 project" or "cost of any project" as used in bond resolutions; to provide for authorized
12 contents of agreements and instruments of the boards generally, use of proceeds of sale of
13 bonds, and notes, and subsequent issue of bonds and notes; to provide for construction; to
14 provide that Chapter 5 of Title 10 of the O.C.G.A. shall not apply to the offer, sale, or
15 issuance of the boards' bonds, notes, or other obligations; to provide that no notice,
16 proceeding, publication, or referendum shall be required; to provide the procedures
17 connected with all of the foregoing; to provide for related matters; to provide an effective
18 date; to repeal conflicting laws; and for other purposes.

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Short title.

22 This Act shall be known and may be cited as the "Newton County Community Improvement
23 Districts Act."

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25**SECTION 2.**

Purpose; "majority" defined.

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The purpose of this Act is to provide for the creation of one or more community improvement districts within Newton County and each municipality therein, and such districts shall be created for the provision of such of the following governmental services and facilities as may be provided for in the resolution activating each district created hereby, or any supplemental resolution amending such resolutions:

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- (1) Street and road construction and maintenance, including curbs, sidewalks, street lights, and devices to control the flow of traffic on streets and roads;
- (2) Parks and recreational areas and facilities;
- (3) Storm water collection and disposal systems;
- (4) Public transportation;
- (5) Terminal and dock facilities and parking facilities; and
- (6) Such other services and facilities as may be provided for by general law.

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39**SECTION 3.**

Definitions.

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As used herein, the term:

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- (1) "Agricultural" means the growing of crops for sale or raising of animals for sale or use, including the growing of field crops or fruit or nut trees, the raising of livestock or poultry, and the operation of dairies, horse-boarding facilities, and riding stables.
- (2) "Board" means the governing body created for the governance of each community improvement district herein authorized.
- (3) "Bonds" or "general obligation bonds" means any bonds of a district which are authorized to be issued under the Constitution and laws of Georgia, including refunding bonds but not including notes or other obligations of a district.
- (4) "Caucus of electors" means, for each district, the meeting of electors provided for in this Act at which the elected board members of the district are elected. A quorum at such caucus shall consist of those electors present, and a majority vote in favor of those present is necessary to elect board members. No proxy votes may be cast.
- (5) "Cost of the project" or "cost of any project" means and includes:
 - (A) All costs of acquisition (by purchase or otherwise), construction, assembly, installation, modification, renovation, or rehabilitation incurred in connection with any project or any part of any project;

- 57 (B) All costs of real property, fixtures, or personal property used in or in connection
58 with or necessary for any project or for any facilities related thereto, including, but not
59 limited to, the cost of all land, estates for years, easements, rights, improvements, water
60 rights, connections for utility services, fees, franchises, permits, approvals, licenses, and
61 certificates; the cost of securing any such franchises, permits, approvals, licenses, or
62 certificates; and the cost of preparation of any application therefor and the cost of all
63 fixtures, machinery, equipment (including all transportation equipment and rolling
64 stock), furniture, and other property used in or in connection with or necessary for any
65 project;
- 66 (C) All financing charges and loan fees and all interest on bonds, notes, or other
67 obligations of a district which accrue or are paid prior to and during the period of
68 construction of a project and during such additional period as the board may reasonably
69 determine to be necessary to place such project in operation;
- 70 (D) All costs of engineering, surveying, and architectural and legal services and all
71 expenses incurred by engineers, surveyors, architects, and attorneys in connection with
72 any project;
- 73 (E) All expenses for inspection of any project;
- 74 (F) All fees of fiscal agents, paying agents, and trustees for bondholders under any trust
75 agreement, indenture of trust, or similar instrument or agreement; all expenses incurred
76 by any such fiscal agents, paying agents, and trustees; and all other costs and expenses
77 incurred relative to the issuances of any bonds, notes, or other obligations for any
78 projects;
- 79 (G) All expenses of or incidental to determining the feasibility or practicability of any
80 project;
- 81 (H) All costs of plans and specifications for any project;
- 82 (I) All costs of title insurance and examinations of title with respect to any project;
- 83 (J) Repayment of any loans made for the advance payment of any part of any of the
84 foregoing costs, including interest thereon and any other expenses of such loans;
- 85 (K) Administrative expenses of the board and such other expenses as may be necessary
86 or incidental to any project or the financing thereof or the placing of any project in
87 operation; and
- 88 (L) The establishment of a fund or funds for the creation of a debt service reserve, a
89 renewal and replacement reserve, or such other funds or reserves as the board may
90 approve with respect to the financing and operation of any project and as may be
91 authorized by any bond resolution, trust agreement, indenture of trust, or similar
92 instrument or agreement pursuant to the provisions of which the issuance of any bonds,
93 notes, or other obligations of the district may be authorized.

94 Any cost, obligation, or expense incurred for any of the foregoing purposes shall be a part
95 of the cost of the project and may be paid or reimbursed as such out of proceeds of bonds,
96 notes, or other obligations issued by the district.

97 (6) "District" means the geographical area designated as such by the resolution of the
98 governing body or bodies consenting to the creation of the community improvement
99 district or as thereafter modified by any subsequent resolution of the governing body or
100 bodies within which the district is or is to be located, or a body corporate and politic
101 being a community improvement district created and activated pursuant to this Act, as the
102 context requires or permits.

103 (7) "Electors" means the noncontiguous owners of real property within the district which
104 is then subject to taxes, fees, and assessments levied by the board as appear on the most
105 recent ad valorem real property tax return records of Newton County, or one officer or
106 director of a corporate elector, one trustee of a trust which is an elector, one partner of a
107 partnership elector, or one designated representative of an elector whose designation is
108 made in writing to the Newton County tax commissioner, on a form satisfactory to the
109 commissioner, at least eight days prior to an election. An owner of multiple parcels has
110 one vote, not one vote per parcel. Multiple owners of one parcel have one vote which
111 shall be cast by one of their number who is designated in writing by such multiple owners
112 as their elector.

113 (8) "Equity electors" means electors who cast votes equal to each \$1,000.00 value of all
114 owned real property within the given district which is then subject to taxes, fees, and
115 assessments levied by the board. Value of real property shall be the assessed value.

116 (9) "Forestry" means the planting and growing of trees for sale in a program which
117 includes reforestation of harvested trees, regular underbrush and undesirable growth
118 clearing, fertilizing, pruning, thinning, cruising, and marking which indicate an active
119 tree-farming operation; it does not include the casual growing of trees on land otherwise
120 idle or held for investment, even though some harvesting of trees may occur thereon.

121 (10) "Hereby," "herein," "hereunder," and "herewith" have the meanings generally
122 ascribed to these words.

123 (11) "Project" means the acquisition, construction, installation, modification, renovation,
124 or rehabilitation of land, interests in land, buildings, structures, facilities, or other
125 improvements located or to be located within the district, and the acquisition, installation,
126 modification, renovation, rehabilitation, or furnishing of fixtures, machinery, equipment,
127 furniture, or other property of any nature whatsoever used on, in, or in connection with
128 any such land, interest in land, building, structure, facility, or other improvement, all for
129 the essential public purposes set forth in Section 2 of this Act.

130 (12) "Property owner" or "owner of real property" means any entity or person shown as
 131 a taxpayer for one or more parcels of real estate on the most recent ad valorem real
 132 property tax records of Newton County within the district as certified by the Newton
 133 County tax commissioner. Multiple owners of one parcel shall constitute one property
 134 owner and shall designate in writing one of their number to represent the whole.

135 (13) "Property used nonresidentially" means property used for neighborhood shopping,
 136 planned shopping center, general commercial, tourist services, office or institutional,
 137 office services, light industry, heavy industry, central business district, or other
 138 commercial or business use which does not include residential.

139 (14) "Taxpayer" means any entity or person paying ad valorem taxes on real property,
 140 whether on one or more parcels of property within the district. Multiple owners of one
 141 parcel shall constitute one taxpayer and shall designate in writing one of their number to
 142 represent the whole.

143 **SECTION 4.**

144 **Creation.**

145 Pursuant to Article IX, Section VII of the Constitution of the State of Georgia, there is
 146 created one or more community improvement districts to be located in Newton County,
 147 Georgia, either wholly within the unincorporated area thereof, or wholly within any
 148 municipality therein, or partly within one or more municipalities and partly within the
 149 unincorporated area thereof, each of which shall be activated upon compliance with the
 150 conditions set forth in this section and which shall be governed by a board constituted as
 151 provided in Section 5 of this Act. The conditions for such activation shall be:

152 (1) The adoption of a resolution consenting to the creation of each community
 153 improvement district by:

154 (A) The Board of Commissioners of Newton County if the district is located wholly
 155 within the unincorporated area of Newton County;

156 (B) The governing authority of the municipality if the district is located wholly within
 157 the incorporated area of a municipality; or

158 (C) The governing authorities of Newton County and any municipality in which the
 159 district is partially located if it is located partially within the unincorporated area of
 160 Newton County and partially within the incorporated area of any municipality; and

161 (2) Written consent to the creation of the community improvement district by:

162 (A) A majority of the owners of real property within the district which will be subject
 163 to taxes, fees, and assessments levied by the board of the district; and

164 (B) The owners of real property within the district which constitutes at least 75 percent
 165 by value of all real property within the district which will be subject to taxes, fees, and
 166 assessments levied by the board, and for this purpose value shall be determined by the
 167 most recent approved county ad valorem tax digest.

168 The written consents provided for above shall be submitted to the Newton County tax
 169 commissioner who shall certify whether subparagraphs (A) and (B) of this paragraph
 170 have been satisfied with respect to each such proposed district.

171 No district or board created under this Act shall transact any business or exercise any powers
 172 under this Act until the foregoing conditions are met. A copy of such resolutions shall be
 173 filed with the Secretary of State, who shall maintain a record of all districts activated under
 174 this Act, and a second copy shall be filed with the Department of Community Affairs.

175 **SECTION 5.**

176 Administration, appointment, and election of board members.

177 (a) Each district created pursuant to this Act shall be administered by a board composed of
 178 a minimum of seven members to be appointed and elected as provided in this section. One
 179 board member shall be appointed by the chairperson of the Board of Commissioners of
 180 Newton County and confirmed by a majority of the board of commissioners and shall serve
 181 in Post 7. One board member shall be appointed by the mayor and confirmed by the
 182 governing authority of each municipality within which the district is now or hereafter
 183 partially or entirely located and shall serve in Post 6. Two board members shall be elected
 184 by the vote of equity electors and serve in Posts 4 and 5 and three board members shall be
 185 elected by the vote of electors and serve in Posts 1, 2, and 3. Each board member elected by
 186 the vote of the electors (Posts 1, 2, and 3) shall receive a majority of the votes of the total
 187 electors with respect to the post for which he or she is a candidate. The appointed board
 188 members shall serve at the pleasure of the governing authority which appointed them,
 189 respectively. The initial terms of office of the members representing Posts 1 and 4 shall be
 190 two years. The initial term of office of the members representing Posts 2, 3, and 5 shall be
 191 four years. Thereafter, all terms of office shall be for four years, except the appointed board
 192 members who serve at the pleasure of the governing body which appointed them,
 193 respectively.

194 (b) The initial board members to be elected as provided in subsection (a) of this section shall
 195 be elected in a caucus of electors which shall be held within 60 days after the adoption of the
 196 resolutions and obtaining the written consents herein provided at such time and place within
 197 the district as the Board of Commissioners of Newton County, or governing body of the
 198 municipality if the district lies wholly within the incorporated area thereof, shall designate

199 after notice thereof shall have been given to such electors by publishing the same in the legal
200 organ of Newton County as provided in this Act. Thereafter, there shall be conducted
201 biennially, not later than 60 days following the last day for filing ad valorem real property
202 tax returns in Newton County, a caucus of such electors at such time and place within the
203 district as the board shall designate in such notice for the purpose of electing board members
204 to those board member positions whose terms are expiring or are vacant. If a vacancy occurs
205 in an elected position on the board, the board shall, within 60 days thereof, call a special
206 election to fill the same to be held within 60 days of the call unless such vacancy occurs
207 within 180 days of the next regularly scheduled election, in which case a special election
208 may, but need not, be called. For any election held under this Act, notice thereof shall be
209 given to such electors by publishing notice thereof in the legal organ of Newton County on
210 four dates: at least 45 days, 31 days, 17 days, and ten days, respectively, prior to such
211 election.

212 (c) Board members, including appointed board members, shall be electors within the district.
213 If a board member ceases to be an elector, such board member's position shall be declared
214 vacant as of the date of the event terminating such status.

215 (d) The board members shall receive no compensation for their services but shall be
216 reimbursed for actual expenses incurred in the performance of their duties. They shall elect
217 one of their members as chairperson and another as vice chairperson and shall also elect a
218 secretary and a treasurer or a secretary-treasurer, either of whom may but need not be a
219 member of the board.

220 (e) If the boundaries of a district are subsequently changed after creation of the district to
221 include land within a municipality which was not a party to the creation of the district, or if
222 a municipality's boundaries are changed to include land within a then existing district, the
223 governing authority of the municipality shall acquire the right to appoint a member to the
224 board of the district upon entering into the cooperation agreement provided for in Section 9
225 of this Act. The new appointed board member in such case shall take office upon the
226 vacation of the first elected board member's office to be vacated, by expiration of term, death,
227 resignation, or recall, and that office shall thereafter be appointed by such governing
228 authority.

229 (f) Chapter 2 of Title 21 of the O.C.G.A., the "Georgia Election Code," shall not apply to
230 the election of district board members. Should a vacancy in office of a district board member
231 occur, and the regular caucus of electors is more than six months in the future, a special
232 election shall be called to fill such vacancy, unless filled by appointment as provided in this
233 Act. The district board may adopt such bylaws not inconsistent herewith to provide for any
234 matter concerning such elections.

SECTION 6.

Taxes, fees, and assessments.

(a) The board may levy taxes, fees, and assessments within the district only on real property used nonresidentially, specifically excluding all property exempt from ad valorem taxation under the Constitution or laws of the State of Georgia and all property used for residential, agricultural, or forestry purposes and specifically excluding tangible personal property and intangible property. Any tax, fee, or assessment so levied shall not exceed 2.5 percent of the aggregate assessed value of all such real property. The taxes, fees, and assessments levied by the board upon the properties shall be equitably apportioned among the properties subject to such taxes, fees, and assessments according to the need for governmental services and facilities created by the degree of density of development of each such property. The millage shall be set by the board by public vote and shall be capped at 5 mills during the first six-year term of the district operations. The proceeds of taxes, fees, and assessments levied by the board shall be used only for the purpose of providing governmental services and facilities which are specifically required by the degree of density of development within the district and not for the purpose of providing those governmental services and facilities provided to the county or municipality as a whole. Any tax, fee, or assessment so levied shall be collected by Newton County if the district lies wholly or partly within the unincorporated area of Newton County, and by the municipality within which it lies if it is wholly within a municipality, in the same manner as taxes, fees, and assessments are levied by Newton County or the municipality, respectively. Delinquent taxes shall bear the same interest and penalties as Newton County or such municipality's ad valorem taxes, respectively, and may be enforced and collected in the same manner. The proceeds of taxes, fees, and assessments so levied, less a fee to cover the costs of collection of 1 percent thereof, but not more than \$5,000.00 in any one calendar year, shall be transmitted by Newton County or the municipality which collects same to the board and shall be expended by the board only for the purposes authorized hereby.

(b) The board shall levy the above-provided taxes between January 1 and June 1 of each calendar year and shall notify in writing the collecting governing bodies by June 15 of each year so they may include the levy on their regular ad valorem tax bills.

(c) If, but for this provision, a parcel of real property is removed from a district or otherwise would become nontaxable, it shall continue to bear its tax millage then extant upon such event, for bonded indebtedness of the district then outstanding, until such bonded indebtedness then outstanding is paid or refunded.

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SECTION 7.

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Boundaries of the districts.

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(a) The boundaries of each district shall be designated as such by the Board of Commissioners of Newton County if wholly within the unincorporated area of Newton County and by such municipalities within which the district may be partially located if partially within the unincorporated area of Newton County and partially within one or more municipalities, or by the governing authority of a municipality if wholly within the incorporated area thereof, as set forth in the resolutions required in Section 4 of this Act or as may hereafter be added as provided in this Act.

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(b) The boundaries of a district may be increased after the initial creation of a district pursuant to the following:

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(1) Written consent of a majority of the owners of real property within the area sought to be annexed and which will be subject to taxes, fees, and assessments levied by the board of the district is first obtained;

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(2) Written consent of owners of real property within the area sought to be annexed which constitutes at least 75 percent by value of the property which will be subject to taxes, fees, and assessments levied by the board and for this purpose value shall be determined by the most recent approved county ad valorem tax digest;

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(3) The adoption of a resolution consenting to the annexation by the board of the district; and

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(4) The adoption of a resolution consenting to the annexation by the governing authorities of Newton County, if any portion of the district is or is to be in the unincorporated area of Newton County, and such municipalities as may have area within the district before or after the annexation.

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SECTION 8.

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Debt.

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Each district may incur debt without regard to the requirements of Article IX, Section V of the Constitution of Georgia or any other provision of law prohibiting or restricting the borrowing of money or the creation of debt by political subdivisions of the State of Georgia, which debt shall be backed by the full faith, credit, and taxing power of the district but shall not be an obligation of the State of Georgia or any other unit of government of the State of Georgia other than the district.

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SECTION 9.

Cooperation with local governments.

The services and facilities provided for in this Act shall be provided for in a cooperation agreement executed jointly by the board and the governing body of Newton County and any municipalities within which the district is partially located. The provisions of this section shall in no way limit the authority of Newton County or any such municipality to provide services or facilities within the district; and Newton County or any such municipality shall retain full and complete authority and control over any of its facilities located within its respective areas of any district. Such control shall include, but not be limited to, the modification of, access to, and degree and type of services provided through or by facilities of the municipality or county. Nothing contained in this section shall be construed to limit or preempt the application of any governmental laws, ordinances, resolutions, or regulations to the district or the services or facilities provided therein.

SECTION 10.

Powers.

(a) Each district and its board created pursuant to this Act shall have all of the powers necessary or convenient to carry out and effectuate the purposes and provisions hereof, including, without limiting the generality of the foregoing, the power:

- (1) To bring and defend actions;
- (2) To adopt and amend a corporate seal;
- (3) To make and execute contracts, agreements, and other instruments necessary or convenient to exercise the powers of the board or to further the public purposes for which the district is created, including, but not limited to, contracts for construction of projects, agreements for loans to finance projects, and contracts with respect to the use of projects;
- (4) To acquire by purchase, lease, or otherwise and to hold, lease, and dispose of real and personal property of every kind and character, or any interest therein, in furtherance of the public purposes of the district;
- (5) To finance (by loan, grant, lease, or otherwise), construct, erect, assemble, purchase, acquire, own, repair, remodel, renovate, rehabilitate, modify, maintain, extend, improve, install, sell, equip, expand, add to, operate, or manage projects and to pay the cost of any project from the proceeds of bonds, notes, or other obligations of the district or any other funds of the district, or from any contributions or loans by persons, corporations, partnerships whether limited or general, or other entities, all of which the board is authorized to receive, accept, and use;

- 335 (6) To borrow money to further or carry out its public purposes and to execute bonds,
336 notes, other obligations, loan agreements, security agreements, assignments, and such
337 other agreements or instruments as may be necessary or desirable, in the judgment of the
338 board, to evidence and to provide security for such borrowing;
- 339 (7) To issue bonds, notes, or other obligations of the district and use the proceeds thereof
340 for the purpose of paying all or any part of the cost of any project and otherwise to further
341 or carry out the public purposes of the district and to pay all costs of the board incidental
342 to, or necessary and appropriate to, furthering or carrying out such purposes;
- 343 (8) To make application directly or indirectly to any federal, state, county, or municipal
344 government or agency or to any other source, whether public or private, for loans, grants,
345 guarantees, or other financial assistance in furtherance of the district's public purposes
346 and to accept and use the same upon such terms and conditions as are prescribed by such
347 federal, state, county, or municipal government or agency or other source;
- 348 (9) To enter into agreements with the federal government or any agency thereof to use
349 the facilities or services of the federal government or any agency thereof in order to
350 further or carry out the public purposes of the district;
- 351 (10) To contract for any period, not exceeding 50 years, with the State of Georgia, state
352 institutions, or any municipal corporation, county, or political subdivision of this state for
353 the use by the district of any facilities or services of the state or any such state institution,
354 municipal corporation, county, or political subdivision of this state, or for the use by any
355 state institution or any municipal corporation, county, or political subdivision of this state
356 of any facilities or services of the district, provided that such contracts shall deal with
357 such activities and transactions as the district and any such political subdivision with
358 which the district contracts are authorized by law to undertake;
- 359 (11) To receive and use the proceeds of any tax levied by any county or any municipal
360 corporation to pay the costs of any project or for any other purpose for which the board
361 may use its own funds pursuant hereto;
- 362 (12) To receive and administer gifts, grants, and devises of money and property of any
363 kind and to administer trusts;
- 364 (13) To use any real property, personal property, or fixtures or any interest therein or to
365 rent or lease such property to or from others or to make contracts with respect to the use
366 thereof or to sell, lease, exchange, transfer, assign, pledge, or otherwise dispose of or
367 grant options for any such property in any manner as it deems to be the best advantage
368 of the district and the public purposes thereof;
- 369 (14) To appoint, select, and employ engineers, surveyors, architects, urban or city
370 planners, fiscal agents, attorneys, and others and to fix their compensation and pay their
371 expenses;

372 (15) To encourage and promote the improvement and development of the district and to
 373 make, contract for, or otherwise cause to be made long-range plans or proposals for the
 374 district in cooperation with Newton County and any municipal corporations in which the
 375 district is wholly or partially located;

376 (16) To adopt bylaws governing the conduct of business by the board, the election and
 377 duties of officers of the board, and other matters which the board determines to deal with
 378 in its bylaws;

379 (17) To exercise any power granted by the laws of this state to public or private
 380 corporations which is not in conflict with the public purposes of the district; and

381 (18) To do all things necessary or convenient to carry out the powers conferred hereby.

382 (b) The powers enumerated in each paragraph of subsection (a) of this section are
 383 cumulative of and in addition to those powers enumerated herein and elsewhere in this Act;
 384 and no such power shall limit or restrict any other power of the board.

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SECTION 11.

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Bonds - generally.

387 (a) Notes or other obligations issued by a district other than general obligation bonds shall
 388 be paid solely from the property pledged to pay such notes or other obligations. General
 389 obligation bonds issued by any district shall constitute a general obligation of the district to
 390 the repayment of which the full faith and credit and taxing power of the district shall be
 391 pledged.

392 (b) All bonds, notes, and other obligations of any district shall be authorized by resolution
 393 of its board, adopted by a majority vote of the board members at a regular or special meeting.

394 (c) Bonds, notes, or other obligations shall bear such date or dates, shall mature at such time
 395 or times but not more than 40 years from their respective dates, shall bear interest at such rate
 396 or rates which may be fixed or may fluctuate or otherwise change from time to time, shall
 397 be subject to redemption on such terms, and shall contain such other terms, provisions,
 398 covenants, assignments, and conditions as the resolution authorizing the issuance of such
 399 bonds, notes, or other obligations may permit or provide. The terms, provisions, covenants,
 400 assignments, and conditions contained in or provided or permitted by any resolution of the
 401 board authorizing the issuance of such bonds, notes, or other obligations shall bind the board
 402 members of the district then in office and their successors.

403 (d) The board shall have power from time to time and whenever it deems it expedient to
 404 refund any bonds by the issuance of new bonds, whether or not the bonds to be refunded
 405 have matured, and may issue bonds partly to refund bonds then outstanding and partly for
 406 any other purpose permitted hereunder. The refunding bonds may be exchanged for the

407 bonds to be refunded, with such cash adjustments as may be agreed upon, or may be sold and
408 the proceeds applied to the purchase or redemption of the bonds to be refunded.

409 (e) There shall be no limitation upon the interest rates or any maximum interest rate or rates
410 on any bonds, notes, or other obligations of the district; and the usury laws of this state shall
411 not apply to bonds, notes, or other obligations of these districts.

412 (f) Bonds issued by a district may be in such form, either coupon or fully registered, or both
413 coupon and fully registered, and may be subject to such exchangeability and transferability
414 provisions as the bond resolution authorizing the issuance of such bonds or any indenture or
415 trust agreement may provide.

416 (g) Bonds shall bear a certificate of validation. The signature of the clerk of the Superior
417 Court of Newton County may be made on the certificate of validation of such bonds by
418 facsimile or by manual execution, stating the date on which such bonds were validated; and
419 such entry shall be original evidence of the fact of judgment and shall be received as original
420 evidence in any court in this state.

421 (h) In lieu of specifying the rate or rates of interest which such bonds are to bear, and the
422 principal amount and maturities of such bonds, the notice to the district attorney or the
423 Attorney General, the notice to the public of the time, place, and date of the validation
424 hearing, and the petition and complaint for validation may state that the bonds when issued
425 will bear interest which may be fixed or may fluctuate or otherwise change from time to time
426 and that the principal amount will not exceed and the final maturity date will not be later than
427 as specified in such notices and petition and complaint or may state that, in the event the
428 bonds are to bear different rates of interest for different maturity dates, none of such rates
429 will exceed the maximum rate, which may be fixed or may fluctuate or otherwise change
430 from time to time, so specified; provided, however, that nothing in this section shall be
431 construed as prohibiting or restricting the right of a board to sell such bonds at a discount,
432 even if in doing so the effective interest cost resulting therefrom would exceed the maximum
433 per annum interest rate specified in such notices and in the petition and complaint.

434 (i) The terms "cost of the project" and "cost of any project" shall have the meaning
435 prescribed in this Act whenever those terms are referred to in bond resolutions of a board,
436 in bonds, notes, or other obligations of the district, or in notices or proceedings to validate
437 such bonds, notes, or other obligations of a district.

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SECTION 12.

Authorized contents of agreements and instruments of the board
generally; use of proceeds of sale of bonds, notes, etc.;
subsequent issues of bonds, notes, etc.

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(a) Subject to the limitations and procedures provided by this section and by Section 11 of this Act, the agreements or instruments executed by a board may contain such provisions not inconsistent with law as shall be determined by such board.

(b) The proceeds derived from the sale of all bonds, notes, and other obligations issued by a district shall be held and used for the ultimate purpose of paying, directly or indirectly as permitted in this Act, all or part of the cost of any project, or for the purpose of refunding any bonds, notes, or other obligations issued in accordance hereunder.

(c) Issuance by a board of one or more series of bonds, notes, or other obligations for one or more purposes shall not preclude it from issuing other bonds, notes, or other obligations in connection with the same project or with any other project; but the proceeding wherein any subsequent bonds, notes, or other obligations are issued shall recognize and protect any prior loan agreement, security agreement, or other agreement or instrument made for any prior issue of bonds, notes, or other obligations, unless in the resolution authorizing such prior issue the right is expressly reserved to the board to issue subsequent bonds, notes, or other obligations on a parity with such prior issue.

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SECTION 13.

Dissolution.

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(a) A district activated under the provisions of this Act may be dissolved upon the occurrence of the written consent to the dissolution of the community improvement district by:

- (1) A majority of the owners of real property within the district subject to taxes, fees, and assessments levied by the board of the district; or
- (2) The owners of real property constituting at least 75 percent by value of all real property within the district subject to taxes, fees, and assessments levied by the board. For this purpose, value shall be determined by the most recent approved county ad valorem tax digest.

The written consent provided for in this paragraph shall be submitted to the Newton County Tax Commissioner, who shall certify whether paragraphs (1) and (2) of this subsection have been satisfied with respect to each proposed district dissolution.

471 (b) In the event successful action is taken pursuant to this section to dissolve the district, the
 472 dissolution shall become effective at such time as all debt obligations of the district have
 473 been satisfied. Following a successful dissolution action and until the dissolution becomes
 474 effective, no new projects may be undertaken, obligations or debts incurred, or property
 475 acquired.

476 (c) Upon a successful dissolution action, all noncash assets of the district other than public
 477 facilities or land or easements to be used for such public facilities, as described in Section 2
 478 of this Act, shall be reduced to cash and, along with all other cash on hand, shall be applied
 479 to the repayment of any debt obligation of the district. Any cash remaining after all
 480 outstanding obligations are satisfied shall be refunded to each property owner in direct
 481 proportion to the total amount in taxes, fees, or assessments paid by the property owner
 482 relative to the total revenues paid by all properties in the district.

483 (d) When a dissolution becomes effective, the municipal governing authority, or the
 484 governing authority of the county if the district is wholly within the unincorporated area
 485 thereof, shall take title to all property previously in the ownership of the district and all taxes,
 486 fees, and assessments of the district shall cease to be levied and collected.

487 (e) A district may be reactivated in the same manner as an original activation.

488 **SECTION 14.**

489 Construction; applicability of Chapter 5 of Title 10 of the O.C.G.A.,
 490 the "Georgia Uniform Securities Act of 2008"; notice,
 491 proceeding, publication, referendum.

492 This Act shall be liberally construed to effect the purposes hereof. The offer, sale, or
 493 issuance of bonds, notes, or other obligations by a district shall not be subject to regulation
 494 under Chapter 5 of Title 10 of the O.C.G.A., the "Georgia Uniform Securities Act of 2008."
 495 No notice, proceeding, or publication except those required hereby shall be necessary to the
 496 performance of any act authorized hereby, nor shall any such act be subject to referendum.

497 **SECTION 14.**

498 Severability.

499 In the event any section, subsection, sentence, clause, or phrase of this Act shall be declared
 500 or adjudged invalid or unconstitutional, such adjudication shall in no manner affect the other
 501 sections, subsections, sentences, clauses, or phrases of this Act, which shall remain of full
 502 force and effect as if the section, subsection, sentence, clause, or phrase so declared or
 503 adjudged invalid or unconstitutional were not originally a part hereof. The General

504 Assembly declares that it would have passed the remaining parts of this Act if it had known
505 that such part or parts hereof would be declared or adjudged invalid or unconstitutional.

506 **SECTION 15.**

507 Effective date.

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

510 **SECTION 16.**

511 Repealer.

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