

House Bill 409

By: Representatives Teper of the 61st, Smyre of the 136th, Buck of the 135th, Walker of the 141st, Ehrhart of the 36th and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 44 of Title 36 of the Official Code of Georgia Annotated, the
2 "Redevelopment Powers Law," so as to change the legislative purpose to include
3 encouraging the redevelopment of economically and socially depressed nonurban areas
4 within counties and municipalities; to change certain definitions; to expand the meaning of
5 redevelopment; to change the characteristics of areas eligible for designation as
6 redevelopment areas; to provide for findings by a local legislative body of a political
7 subdivision that a redevelopment area includes one or more natural or historical assets which
8 would not reasonably be anticipated to be adequately preserved or protected without the
9 approval of the redevelopment plan; to provide that the Act shall not impair or invalidate any
10 existing redevelopment plan, redevelopment area, or tax allocation district; to provide for
11 related matters; to repeal conflicting laws; and for other purposes.

12 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

13 **SECTION 1.**

14 Chapter 44 of Title 36 of the Official Code of Georgia Annotated, the "Redevelopment
15 Powers Law," is amended by striking in its entirety Code Section 36-44-2, relating to the
16 legislative purpose, and inserting in lieu thereof the following:

17 "36-44-2.

18 It is found and declared that economically and socially depressed areas exist within
19 ~~urbanized portions~~ of counties and municipalities of this state and that these areas
20 contribute to or cause unemployment, limit the tax resources of counties and municipalities
21 while creating a greater demand for governmental services and, in general, have a
22 deleterious effect upon the public health, safety, morals, and welfare. It is, therefore, in the
23 public interest that such areas be redeveloped to the maximum extent practicable to
24 improve economic and social conditions therein in order to abate or eliminate such
25 deleterious effects. To encourage such redevelopment, it is essential that the counties and
26 municipalities of this state have additional powers to form a more effective partnership

1 with private enterprise to overcome economic limitations that have previously impeded or
 2 prohibited redevelopment of such areas. It is the purpose of this chapter, therefore, to grant
 3 such additional powers to the counties and municipalities of this state, and it is the intention
 4 of the General Assembly that this chapter be liberally construed to carry out such purpose."

5 SECTION 2.

6 Said chapter is further amended in Code Section 36-44-3, relating to definitions, by striking
 7 in their entirety paragraphs (5), (7), and (9) and inserting in lieu thereof the following:

8 "(5) 'Redevelopment' means any activity or service necessary or incidental to achieving
 9 the development or revitalization of a redevelopment area or a portion thereof designated
 10 for redevelopment by a redevelopment plan or the preservation or improvement of
 11 historical or natural assets within a redevelopment area or a portion thereof designated
 12 for redevelopment by a redevelopment plan. Without limiting the generality of the
 13 foregoing, redevelopment may include any one or more of the following:

14 (A) The construction of any building or other facility for use in any business,
 15 commercial, industrial, governmental, educational, charitable, or social activity;

16 (B) The renovation, rehabilitation, reconstruction, remodeling, repair, demolition,
 17 alteration, or expansion of any existing building or other facility for use in any business,
 18 commercial, industrial, governmental, educational, charitable, or social activity;

19 (C) The construction, reconstruction, renovation, rehabilitation, remodeling, repair,
 20 demolition, alteration, or expansion of public or private housing;

21 (D) The construction, reconstruction, renovation, rehabilitation, remodeling, repair,
 22 demolition, alteration, or expansion of public works or other public facilities necessary
 23 or incidental to the provision of governmental services;

24 (E) The identification, preservation, renovation, rehabilitation, reconstruction,
 25 remodeling, repair, demolition, alteration, or restoration of buildings or sites which are
 26 of historical significance;

27 (F) The preservation, protection, renovation, rehabilitation, restoration, alteration,
 28 improvement, maintenance, and creation of open spaces or green spaces;

29 (G) The development, construction, reconstruction, repair, demolition, alteration, or
 30 expansion of structures, equipment, and facilities for mass transit;

31 (H) The development, construction, reconstruction, renovation, rehabilitation, repair,
 32 demolition, alteration, or expansion of telecommunication infrastructure;

33 (I) The development, construction, reconstruction, renovation, rehabilitation, repair,
 34 demolition, alteration, or expansion of facilities for the improvement of pedestrian
 35 access and safety;

36 ~~(F)~~(J) Improving or increasing the value of property; and

1 ~~(G)~~(K) The acquisition and retention or acquisition and disposition of property for
 2 redevelopment purposes or the use for redevelopment purposes of property already
 3 owned by a political subdivision or any agency or instrumentality thereof."

4 "(7) 'Redevelopment area' means:

5 (A) Any urbanized ~~and~~ or developed area in which the structures, buildings, or
 6 improvements, by reason of dilapidation, deterioration, age, or obsolescence,
 7 inadequate provision for ventilation, light, air, sanitation, or open spaces, high density
 8 of population and overcrowding, or the existence of conditions which endanger life or
 9 property by fire and other causes, or any combination of such factors, is conducive to

10 ill health, transmission of disease, infant mortality, high unemployment, juvenile
 11 delinquency, or crime and is detrimental to the public health, safety, morals, or welfare;

12 (B) Any urbanized or developed area which by reason of the presence of a predominant
 13 number of substandard, slum, deteriorated, or deteriorating structures; the
 14 predominance of defective or inadequate street layout, inadequate parking, roadways,
 15 bridges, or public transportation facilities incapable of handling the volume of traffic
 16 flow into or through the area, either at present or following proposed redevelopment;
 17 the faulty lot layout in relation to size, adequacy, accessibility, or usefulness; unsanitary
 18 or unsafe conditions; deterioration of site or other improvements; the diversity of
 19 ownership, tax, or special assessment delinquency exceeding the fair value of the land;
 20 diversity of ownership on defective or unusual conditions of title which prevent or
 21 encumber the free alienability of land; or the existence of conditions which endanger
 22 life or property by fire and other causes; or any combination of the foregoing,
 23 substantially impairs or arrests the sound growth of the community, retards the
 24 provision of housing accommodations or employment opportunities; or constitutes an
 25 economic or social liability and is a menace to the public health, safety, morals, or
 26 welfare in its present condition and use;

27 (C) Any open area located within an urbanized or developed area within the corporate
 28 limits of a municipality which because of any factor or combination of factors
 29 enumerated in subparagraph (A) or (B) of this paragraph substantially impairs or arrests
 30 the sound growth of the community;

31 (D) Any area located within an urbanized or developed area and which, immediately
 32 prior to becoming an open area, qualified as a redevelopment area under subparagraph
 33 (A) or (B) of this paragraph;

34 (E) Any area located within an urbanized or developed area which is substantially
 35 underutilized by containing open lots or parcels of land or by containing a substantial
 36 number of buildings or structures which are 40 years old or older or by containing
 37 structures or buildings of relatively low value as compared to the value of structures or

1 buildings in the vicinity of the area or by having development impaired by airport and
 2 related transportation noise or by related environmental factors or an area in which
 3 there is a shortage of housing that is affordable for persons of low or moderate income
 4 which the local legislative body designates as appropriate for community
 5 redevelopment or by any combination of the foregoing factors; or

6 (F) Any geographic area designated within the comprehensive plan of a political
 7 subdivision for redevelopment which has previously been developed for commercial,
 8 residential, industrial, office, or similar or ancillary uses and which lies within the
 9 service delivery area of the political subdivision, in which the current condition of the
 10 area is less desirable than the redevelopment of the area for new commercial,
 11 residential, industrial, office, or other uses, or a combination of uses, including the
 12 provision of open space or pedestrian and transit improvements, and any geographic
 13 area that is adversely affected by airport or transportation related noise or other
 14 environmental degradation, contamination, or other environmental factors which the
 15 political subdivision has determined to be impairing or retarding the redevelopment of
 16 the area; or

17 (G) Any area combining any factors specified in subparagraphs (A) through (E) (F) of
 18 this paragraph."

19 "(9) 'Redevelopment plan' means a written plan of redevelopment for a redevelopment
 20 area or a designated portion thereof which:

21 (A) Specifies the boundaries of the proposed redevelopment area;

22 (B) Explains the grounds for a finding by the local legislative body that the
 23 redevelopment area on the whole has not been subject to growth and development
 24 through private enterprise and would not reasonably be anticipated to be developed
 25 without the approval of the redevelopment plan or that the redevelopment area includes
 26 one or more natural or historical assets which have not been adequately preserved or
 27 protected and such asset or assets would not reasonably be anticipated to be adequately
 28 preserved or protected without the approval of the redevelopment plan;

29 (C) Explains the proposed uses after redevelopment of real property within the
 30 redevelopment area;

31 (D) Describes any redevelopment projects within the redevelopment area proposed to
 32 be authorized by the redevelopment plan, estimates the cost thereof, and explains the
 33 proposed method of financing such projects;

34 (E) Describes any contracts, agreements, or other instruments creating an obligation
 35 for more than one year which are proposed to be entered into by the political
 36 subdivision or its redevelopment agency or both for the purpose of implementing the
 37 redevelopment plan;

- 1 (F) Describes the type of relocation payments proposed to be authorized by the
2 redevelopment plan;
- 3 (G) Includes a statement that the proposed redevelopment plan conforms with the local
4 comprehensive plan, master plan, zoning ordinance, and building codes of the political
5 subdivision or explains any exceptions thereto;
- 6 (H) Estimates redevelopment costs to be incurred or made during the course of
7 implementing the redevelopment plan;
- 8 (I) Recites the last known assessed valuation of the redevelopment area and the
9 estimated assessed valuation after redevelopment;
- 10 (J) Provides that property which is to be redeveloped under the plan and which is either
11 designated as a historic property under Article 2 of Chapter 10 of Title 44, the 'Georgia
12 Historic Preservation Act,' or is listed on or has been determined by any federal agency
13 to be eligible for listing on the National Register of Historic Places will not be:
- 14 (i) Substantially altered in any way inconsistent with technical standards for
15 rehabilitation; or
- 16 (ii) Demolished unless feasibility for reuse has been evaluated based on technical
17 standards for the review of historic preservation projects,
18 which technical standards for rehabilitation and review shall be those used by the state
19 historic preservation officer, although nothing in this subparagraph shall be construed
20 to require approval of a redevelopment plan or any part thereof by the state historic
21 preservation officer;
- 22 (K) Specifies the proposed effective date for the creation of the tax allocation district
23 and the proposed termination date;
- 24 (L) Contains a map specifying the boundaries of the proposed tax allocation district
25 and showing existing uses and conditions of real property in the proposed tax allocation
26 district;
- 27 (M) Specifies the estimated tax allocation increment base of the proposed tax
28 allocation district;
- 29 (N) Specifies property taxes for computing tax allocation increments determined in
30 accordance with Code Section 36-44-9 and supported by any resolution required under
31 paragraph (2) of Code Section 36-44-8;
- 32 (O) Specifies the amount of the proposed tax allocation bond issue or issues and the
33 term and assumed rate of interest applicable thereto;
- 34 (P) Estimates positive tax allocation increments for the period covered by the term of
35 the proposed tax allocation bonds;
- 36 (Q) Specifies the property proposed to be pledged for payment or security for payment
37 of tax allocation bonds which property may include positive tax allocation increments

1 derived from the tax allocation district, all or part of general funds derived from the tax
 2 allocation district, and any other property from which bonds may be paid under Code
 3 Section 36-44-14, subject to the limitations of Code Sections 36-44-9 and 36-44-20;
 4 and

5 (R) Includes such other information as may be required by resolution of the political
 6 subdivision whose area of operation includes the proposed redevelopment area."

7 SECTION 3.

8 Said chapter is further amended in Code Section 36-44-8, relating to the creation of a tax
 9 allocation district, by striking in its entirety paragraph (3) and inserting in lieu thereof the
 10 following:

11 "(3) Adoption by the local legislative body of a resolution approving the redevelopment
 12 plan and which:

13 (A) Describes the boundaries of the tax allocation district with sufficient definiteness
 14 to identify with ordinary and reasonable certainty the territory included. The
 15 boundaries shall include only those whole units of property assessed for ad valorem
 16 property tax purposes;

17 (B) Creates the district on December 31 following the adoption of the resolution or on
 18 December 31 of a subsequent year as determined by the local legislative body;

19 (C) Assigns a name to the district for identification purposes. The first district created
 20 shall be known as 'Tax Allocation District Number 1,' followed by the name of the
 21 political subdivision within whose area of operation the district is located;

22 (D) Specifies the estimated tax allocation increment base;

23 (E) Specifies property taxes to be used for computing tax allocation increments;

24 (F) Specifies the property proposed to be pledged for payment or security for payment
 25 of tax allocation bonds which property may include positive tax allocation increments
 26 derived from the tax allocation district, all or part of general funds derived from the tax
 27 allocation district, and any other property from which bonds may be paid under Code
 28 Section 36-44-14, as determined by the political subdivision subject to the limitations
 29 of Code Sections 36-44-9 and 36-44-20; and

30 (G) Contains findings that:

31 (i) The redevelopment area on the whole has not been subject to growth and
 32 development through private enterprise and would not reasonably be anticipated to
 33 be developed without the approval of the redevelopment plan or includes one or more
 34 natural or historical assets which have not been adequately preserved or protected and
 35 such asset or assets would not reasonably be anticipated to be adequately preserved
 36 or protected without the approval of the redevelopment plan; and

1 (ii) The improvement of the area is likely to enhance the value of a substantial
2 portion of the other real property in the district.
3 If any information required to be included in the resolution approving the redevelopment
4 plan under subparagraphs (A) through (G) of this paragraph is contained in the
5 redevelopment plan, then the resolution approving the redevelopment plan may
6 incorporate by reference that portion of the redevelopment plan containing said
7 information."

8 **SECTION 4.**

9 Nothing in this Act shall impair or invalidate any redevelopment plan, redevelopment area,
10 or tax allocation district in effect on the effective date of this Act.

11 **SECTION 5.**

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