

House Bill 309 (FLOOR SUBSTITUTE)

By: Representatives Westmoreland of the 86th and Smith of the 129th, Post 2

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 62 of Title 36 of the Official Code of Georgia Annotated, relating to
2 development authorities, so as to revise a definition; to authorize the creation and activation
3 of a joint development authority for a county of this state and a contiguous county of an
4 adjoining state; to provide that sports facilities and amphitheaters are authorized as projects
5 for development authorities in certain circumstances; to permit an authority or political
6 subdivision to operate certain sports facilities and amphitheaters; to provide for related
7 matters; to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Chapter 62 of Title 36 of the Official Code of Georgia Annotated, relating to development
11 authorities, is amended in Code Section 36-62-2, relating to definitions, by striking
12 subparagraph (H) of paragraph (6) and inserting in lieu thereof the following:

13 "(H) The acquisition, construction, improvement, or modification of any property, real
14 or personal, which shall be suitable for or used as or in connection with:

15 (i) Sports facilities, including private training and related office and other facilities
16 when authorized by the governing authority of the political subdivision or municipal
17 corporation in which the facility is to be constructed and maintained if such sports
18 facilities promote trade, commerce, industry, and employment opportunities by
19 hosting regional, state-wide, or national events;

20 (ii) Convention or trade show facilities;

21 (iii) Airports, docks, wharves, mass commuting facilities, parking facilities, or
22 storage or training facilities directly related to any of the foregoing;

23 (iv) Facilities for the local furnishing of electric energy or gas;

24 (v) Facilities for the furnishing of water, if available, on reasonable demand to
25 members of the general public; ~~and~~

1 (vi) Hotel and motel facilities for lodging which also may provide meals, provided
 2 that such facilities are constructed in connection with and adjacent to convention,
 3 sports, or trade show facilities. No project as defined by this division shall be exempt
 4 from any ad valorem taxation; and

5 (vii) Amphitheaters with seating capacity exceeding 1,000 patrons and any facilities
 6 directly related to the operation of such amphitheaters, if such amphitheaters promote
 7 trade, commerce, industry, and employment opportunities by hosting regional,
 8 state-wide, or national events;".

9 SECTION 2.

10 Said chapter is further amended in Code Section 36-62-5.1, relating to joint development
 11 authorities, by striking subsection (a) and inserting in lieu thereof the following:

12 "(a) By proper resolution of the local governing bodies, an authority may be created and
 13 activated by:

14 (1) Any two or more municipal corporations;

15 (2) Any two or more counties; ~~or~~

16 (3) One or more municipal corporations and one or more counties; or

17 (4) Any county in this state and any contiguous county in an adjoining state."

18 SECTION 3.

19 Said chapter is further amended by striking Code Section 36-62-7, relating to the prohibition
 20 of operation of projects by the authority or a political subdivision and the sale or lease of a
 21 project for operation, and inserting in lieu thereof the following:

22 "36-62-7.

23 No project acquired under this chapter shall be operated by an authority or any municipal
 24 corporation, county, or other governmental subdivision. Such a project shall be leased or
 25 sold to, or managed by, one or more persons, firms, or private corporations. Any
 26 disposition of real property by an authority pursuant to paragraph (7) of Code Section
 27 36-62-6 shall be made to one or more persons, firms, corporations, or governmental or
 28 public entities. If revenue bonds or other obligations are to be issued to pay all or part of
 29 the cost of the project, the project must be so leased or the contract for its sale or
 30 management must be entered into prior to or simultaneously with the issuance of the bonds
 31 or obligations; provided, however, that the acquisition and development of land by an
 32 authority as the site for an industrial park as provided in this chapter or the acquisition and
 33 development of land by an authority as the site for a sports facility or amphitheater in
 34 accordance with Code Section 36-62-2 and the operation of such a sports facility or
 35 amphitheater shall not be deemed to be the operation of a project and, notwithstanding

1 anything in this chapter to the contrary, an authority shall not be required to enter into a
2 lease of such a project or a contract for its sale or management as a condition to the
3 issuance of bonds or other obligations of the authority to provide financing therefor. If sold,
4 the purchase price may be paid at one time or in installments falling due over not more than
5 40 years from the date of transfer of possession. The lessee or purchaser shall be required
6 to pay all costs of operating and maintaining the leased or purchased property and to pay
7 rentals or installments in amounts sufficient to pay the principal of and the interest and
8 premium, if any, on all of its bonds and other obligations as such principal and interest
9 become due. If the project is managed, the management contract must contain a term not
10 less than the final maturity date of any bonds or other obligations of the authority to
11 provide financing for the managed project and must provide that all costs of operating and
12 maintaining the managed project, including all management fees payable under the
13 management contract, shall be paid solely from the revenues of the managed project and
14 from the proceeds of any bonds or other obligations of the authority to provide financing
15 for the managed project. Any such management contract may contain provisions allowing
16 the authority to terminate the management contract, but if the authority exercises any right
17 to terminate a management contract, it must immediately enter into another management
18 contract meeting the requirements of this Code section."

19

SECTION 4.

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