

House Bill 1754 (AS PASSED HOUSE AND SENATE)

By: Representatives Yates of the 85<sup>th</sup>, Post 1, Lunsford of the 85<sup>th</sup>, Post 2, and Howell of the 92<sup>nd</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend an Act to revise and consolidate the several Acts of the General Assembly of  
2 Georgia granting and amending the charter of the City of Griffin in Spalding County,  
3 Georgia, approved July 21, 1921 (Ga. L. 1921, p. 959), as amended, so as to authorize the  
4 City of Griffin to lease municipal property for up to five years with options to renew for three  
5 additional five-year periods to a nonprofit corporation for certain purposes related to  
6 recreation; to provide restrictions; to provide for insurance coverage and indemnity; to  
7 provide for the termination of any sum lease; to provide for related matters; to provide for  
8 a contingency; to provide an effective date; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 style="text-align:center">**SECTION 1.**

11 An Act to revise and consolidate the several Acts of the General Assembly of Georgia  
12 granting and amending the charter of the City of Griffin in Spalding County, Georgia,  
13 approved July 21, 1921 (Ga. L. 1921, p. 959), as amended, is amended by adding a new  
14 Section 5.3.1 to read as follows:

15 "Section 5.3.1.

16 (a) The City of Griffin is authorized to lease or enter into a contract for a valuable  
17 consideration for the operation and management, and renewals and extensions thereof, of  
18 any real or personal property owned by the City of Griffin comprising fairgrounds,  
19 ballfields, golf courses, swimming pools, or other like property used primarily for  
20 recreational purposes for a period not to exceed five years to a nonprofit corporation which  
21 is qualified as exempt from taxation under the provisions of Section 501(c)(3) of the  
22 Internal Revenue Code of 1986 that will covenant to use and operate the property for  
23 annual regional fair purposes or to continue the recreational purpose to which the property  
24 was formerly used and intended on a nondiscriminatory basis for the use and benefit of all  
25 citizens of the community; provided, however, that nothing in this subsection shall have  
26 the effect of authorizing alienation of title to such property in derogation of rights, duties,

1 and obligations imposed by prior deed, contract, or like document of similar import or that  
2 would cause the divesting of title to property dedicated to public use and not subsequently  
3 abandoned; and provided, further, that the lessee or contractee under a management  
4 contract shall not mortgage or pledge the property as security for any debt or incur any  
5 encumbrance that could result in a lien or claim of lien against the property. The lease or  
6 management contract may provide for options to renew such lease or management contract  
7 for not more than three renewal periods and each such renewal period shall not be greater  
8 than the original length of such lease or management contract. As a condition of any lease  
9 or management contract, the lessee or contractee shall provide and maintain in force and  
10 effect throughout the term of such lease or management contract sufficient liability  
11 insurance, in an amount not less than \$1 million per claim, no aggregate, naming the City  
12 of Griffin as a named insured; shall assume sole responsibility for or incur liability for any  
13 injury to person or property caused by any act of omission of such person while on the  
14 property; and shall agree to indemnify the City of Griffin and hold it harmless from any  
15 claim, suit, or demand made by such person. As an additional condition of any such lease  
16 or management contract, the lessee or contractee shall provide to and maintain with the  
17 City of Griffin a current copy of the liability insurance policy, including any changes in  
18 such policy or coverages as such changes occur, and shall provide proof monthly in writing  
19 to the City of Griffin that the lessee or contractee has in force and effect the liability  
20 insurance required by this subsection which the City of Griffin shall retain on file. As a  
21 further condition of any lease or management contract, the lessee or contractee shall agree  
22 to indemnify the City of Griffin and hold it harmless from any claim, suit, or demand  
23 arising out of any improvements to the property or any indebtedness or obligations incurred  
24 by the lessee or contractee in making any such improvements to such property. When the  
25 lessee or contractee charges any person to enter or go upon the land for the purpose of  
26 attending the annual regional fair or for attending or participating in recreational purposes,  
27 the consideration received by the City of Griffin for the lease or management contract shall  
28 not be deemed a charge within the meaning of Article 2 of Title 51 of the O.C.G.A.

29 (b) The City of Griffin shall have the right unilaterally to terminate such lease after giving  
30 three months' notice of its intention to do so.

31 (c) Any lease entered into as provided in subsection (a) of this section shall be  
32 automatically terminated upon conviction of the lessee or contractee for any offense  
33 involving the conduct of unlawful activity. In such event, any improvements to the  
34 property made by the lessee shall be forfeited. The City of Griffin shall not be liable in any  
35 manner or subject to suit for any indebtedness or other obligations of the lessee or  
36 contractee associated with any such improvements to the property and shall take such  
37 improvements free and clear of any such indebtedness or other obligations.

1 (d) Any lease entered into as provided in subsection (a) of this section shall be for the fair  
2 market value of the property; provided, however, that improvements made by the tenant  
3 to the leased property and donated to the City of Griffin or an authority of the City of  
4 Griffin shall be valued and may apply as rent on a prorated basis and that, at the expiration  
5 or termination of such lease, such improvements shall remain and shall be the property of  
6 the City of Griffin or an authority of the City of Griffin, as applicable."

7 **SECTION 2.**

8 This Act shall become effective on July 1, 2004, provided that the General Assembly enacts  
9 a general law during its 2004 Regular Session authorizing the General Assembly by local law  
10 to authorize municipalities to enter into the type of leases contemplated by this Act which  
11 becomes effective on or before such date. Otherwise, this Act shall stand repealed as of such  
12 date and shall be of no force and effect.

13 **SECTION 3.**

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