

House Bill 251 (AS PASSED HOUSE AND SENATE)

By: Representatives Benton of the 31<sup>st</sup> and McCall of the 30<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To provide for the creation of one or more community improvement districts in Jackson  
2 County; to provide for a short title; to provide for the purposes of the said districts; to provide  
3 for definitions; to provide for boards to administer said districts; to provide for appointment  
4 or election of members of said boards; to provide for taxes, fees, and assessments; to provide  
5 for the boundaries of said districts; to provide for the debt of said districts; to provide for  
6 cooperation with local governments; to provide for powers of said boards; to provide for  
7 general obligation bonds, notes, and other obligations of said districts; to provide for the form  
8 of bonds, provisions for exchange and transfer, certificates of validation, specification of  
9 interest rates in notice to the district attorney or the Attorney General, and in notice of  
10 validation hearing, etc., and definition of terms "cost of the project" or "cost of any project"  
11 as used in bond resolutions, etc.; to provide for authorized contents of agreements and  
12 instruments of the boards generally, use of proceeds of sale of bonds, notes, etc., and  
13 subsequent issue of bonds, notes, etc.; to provide for construction; to provide that Chapter 5  
14 of Title 10 of the O.C.G.A., the "Georgia Securities Act of 1973" shall not apply to the offer,  
15 sale, or issuance of the boards' bonds, notes, or other obligations; to provide that no notice,  
16 proceeding, publication, or referendum shall be required; to provide for dissolutions; to  
17 provide the procedures connected with all of the foregoing; to repeal conflicting laws; and  
18 for other purposes.

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

20 **SECTION 1.**

21 Short title.

22 This Act shall be referred to as the "Jackson County Community Improvement Districts Act."

**SECTION 2.**

## Purpose.

The purpose of this Act shall be to provide for the creation of one or more community improvement districts within Jackson County and within 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 by this Act or any supplemental resolution amending same:

- (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 and sewage collection and disposal systems;
- (4) Development, storage, treatment, purification, and distribution of water;
- (5) Public transportation including, but not limited to, services intended to reduce the volume of traffic or to transport two or more persons in common vehicles or conveyances;
- (6) Terminal and dock facilities and parking facilities; and
- (7) Such other services and facilities as may be provided for by general law.

**SECTION 3.**

## Definitions.

As used herein, the term:

- (1) "Agricultural" means the growing of crops for sale or raising of animals for sale or use, including the growing of field crops, 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 hereinafter provided for 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 of those present and voting 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;

(B) All costs of real property, fixtures, or personal property used in or in connection with or necessary for any project or for any facilities related thereto, including, but not limited to, the cost of all land, estates for years, easements, rights, improvements, water rights, connections for utility services, fees, franchises, permits, approvals, licenses, and certificates; the cost of securing any such franchises, permits, approvals, licenses, or certificates; and the cost of preparation of any application therefor and the cost of all fixtures, machinery, equipment (including all transportation equipment and rolling stock), furniture, and other property used in or in connection with or necessary for any project;

(C) All financing charges and loan fees and all interest on bonds, notes, or other obligations of a district which accrue or are paid prior to and during the period of construction of a project and during such additional period as the board may reasonably determine to be necessary to place such project in operation;

(D) All costs of engineering, surveying, and architectural and legal services and all expenses incurred by engineers, surveyors, architects, and attorneys in connection with any project;

(E) All expenses for inspection of any project;

(F) All fees of fiscal agents, paying agents, and trustees for bondholders under any trust agreement, indenture of trust, or similar instrument or agreement; all expenses incurred by any such fiscal agents, paying agents, and trustees; and all other costs and expenses incurred relative to the issuance of any bonds, notes, or other obligations for any projects;

(G) All expenses of or incidental to determining the feasibility or practicability of any project;

(H) All costs of plans and specifications for any project;

(I) All costs of title insurance and examinations of title with respect to any project;

(J) Repayment of any loans made for the advance payment of any part of any of the foregoing costs, including interest thereon and any other expenses of such loans;

(K) Administrative expenses of the board and such other expenses as may be necessary or incidental to any project or the financing thereof or the placing of any project in operation; and

(L) The establishment of a fund or funds for the creation of a debt service reserve, a renewal and replacement reserve or such other funds or reserves as the board may approve with respect to the financing and operation of any project and as may be

authorized by any bond resolution, trust agreement, indenture of trust, or similar instrument or agreement pursuant to the provisions of which the issuance of any bonds, notes, or other obligations of the district may be authorized.

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

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

(7) "Electors" means the owners of real property within the district which is then subject to taxes, fees, and assessments levied by the board, as appear on the most recent ad valorem real property tax return records of Jackson County, or one officer or director of a corporate elector, one trustee of a trust which is an elector, one partner of a partnership elector, or one designated representative of an elector whose designation is made in writing. An owner of property subject to taxes, fees, or assessments levied by the board shall have one vote for an election based on numerical majority, and one vote for each \$1,000.00 (or fraction thereof) in assessed value of the owner's property for an election based on value majority. An owner of multiple parcels has one vote, not one vote per parcel, for an election based on numerical majority, and one vote for each \$1,000.00 (or fraction thereof) in assessed value of the aggregate of the owner's properties subject to taxes, fees, or assessments levied by the board, for an election based on value majority. Multiple owners of one parcel have one vote for elections based on numerical majority, and one vote for each \$1,000.00 (or fraction thereof) in assessed value of the owner's property for elections based on value majority, which must be cast by one of their number who is designated in writing.

(8) "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," with reference to taxes, fees, and assessments levied by the board, means that the burden of the taxes, fees, and assessments shall be apportioned among the properties subject thereto based upon the values established in the most recent ad valorem tax reassessment of such properties certified by the chairperson of the Jackson County Board of Tax Assessors or may be apportioned among the properties subject thereto in direct or approximate proportion to the receipt of services or benefit derived from the improvements or other activities for

which the taxes, fees, or assessments are to be expended or may be apportioned in any other manner or combination of manners deemed equitable by the board, including, but not limited to, the recognition of differential benefit which may reasonably be expected to accrue to new land development in contrast to lands and improvement already in existence at the time of creation of the community improvement district.

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

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

(11) "Project" means the acquisition, construction, installation, modification, renovation, or rehabilitation of land, interests in land, buildings, structures, facilities, or other improvements located or to be located within the district or in another community improvement district immediately adjoining the district as to directly benefit the district, such benefit to be determined by the board, and the acquisition, installation, modification, renovation, rehabilitation, or furnishing of fixtures, machinery, equipment, furniture, or other property of any nature whatsoever used on, in, or in connection with any such land, interest in land, building, structure, facility, or other improvement, for all the essential public purposes set forth in Section 2 of this Act.

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

(13) "Property used nonresidentially" means property or any portion thereof used for neighborhood shopping, planned shopping center, general commercial, transient lodging facilities, tourist services, office or institutional, office services, light industry, heavy industry, central business district, parking, or other commercial or business use, as well as vacant land zoned or approved for any of the uses listed in this paragraph.

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

**SECTION 4.**

## Creation.

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

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

(A) The Jackson County Board of Commissioners if the district is located wholly within the unincorporated area of Jackson County, which resolution shall impose such conditions on the projects and activities which may be undertaken as will ensure their compatibility with adopted county policies and planning for the area;

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

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

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

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

(B) The owners of real property within the district which constitutes at least 75 percent by value of all real property within the district 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; and

(C) The written consent provided for in this paragraph shall be submitted to the Jackson County Tax Commissioner who shall certify whether subparagraphs (A) and (B) of this paragraph have been satisfied with respect to each such proposed district.

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

**SECTION 5.**

Administration, appointment, and election of board members.

(a) Each district created pursuant to this Act shall be administered by a board composed of a minimum of seven members to be appointed and elected as provided in this section. Two board members shall be appointed by the Jackson County Board of Commissioners, one board member shall be appointed by the governing authority of each municipality within which any portion of the district lies, and the remaining board members shall be elected by the owners of real property within the district subject to taxes, fees, and assessments levied by the board. The board shall be seven in number plus one member appointed by the governing authority of each municipality as provided above. The appointed board members shall serve at the pleasure of the governing body which appointed same, respectively. The initial elected board members shall serve for terms of office as follows: two shall serve for two years, and the remaining board members shall serve for four years. Thereafter, all terms of office shall be for four years, except the appointed members who serve at the pleasure of the governing body which appointed them.

(b) The initial board members to be elected as provided in this Act shall be elected in a caucus of electors, which shall be held within 60 days after the adoption of the resolutions and obtaining the written consents provided for in this Act at such time and place within the district as the Jackson County Board of Commissioners shall designate after notice thereof shall have been given to said electors by:

(1) Publishing same in the legal organ of Jackson County as provided in this Act; and

(2) Contacting each elector by United States Mail at the address indicated in the property tax rolls.

Thereafter, there shall be conducted biennially, not later than 60 days following the last day for filing ad valorem property tax returns in Jackson County, a caucus of said electors at such time and place within the district as the board shall designate in such notice for the purpose of electing board members to those positions which have terms expiring or are vacant. If a vacancy occurs in an elected position on the board, the board shall, within 60 days thereafter, call a special election to fill the same to be held within 60 days of the call unless such vacancy occurs within 180 days of the next regularly scheduled election, in which case a special election may, but need not, be called. For any election held under the provisions of this Act, notice of said election shall be given the electors by:

(1) Publishing notice thereof in the legal organ of Jackson County on four dates at least 45 days, 31 days, 17 days, and ten days, respectively, prior to such election; and

(2) Contacting each elector at least 31 days prior to such election by United States Mail at the address indicated in the property tax rolls.

(c) One board member shall be elected by majority vote of the electors present and voting at the caucus on the basis of one vote for each elector. Said board member shall be elected to a term of office of two years at the initial caucus of electors when the board is first formed and to terms of office of four years thereafter. Four board members shall be elected by majority of the votes cast by the electors present and voting at the caucus, with each elector having one vote for each \$1,000.00 or fraction thereof in assessed value of the property owned by the elector subject to taxes, fees, or assessments levied by the board. All vacancies to be filled through election shall be filled by majority vote in the same manner as the board member previously holding the seat.

(d) The elected board members shall be subject to recall as any other elected public official by the electors defined in this Act.

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

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

## **SECTION 6.**

### **Taxes, fees, and assessments.**

(a) The board may levy taxes, fees, and assessments within the district only on real property, 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 ½ 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 according to the need for governmental services and facilities created 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 Jackson County in the same manner as taxes, fees, and assessments are levied by the county. Delinquent taxes shall bear the same interest and penalties as Jackson County ad valorem taxes 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 \$25,000.00 in any one calendar year, shall be transmitted by Jackson County 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 and notify in writing the collecting governing body so it may include the levy on its regular ad valorem tax bills.

(c) If 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 said bonded indebtedness then outstanding is paid or refunded.

## **SECTION 7.**

### **Boundaries of the districts.**

(a) The boundaries of each district shall be as designated as such by the Jackson County Board of Commissioners if wholly within the unincorporated area of Jackson County and such municipalities within which the district may be partially located if partially within the unincorporated area of Jackson 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 thereafter be added as provided in this Act.

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

(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;

(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;

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

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

**SECTION 8.**

Debt.

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.

**SECTION 9.**

Cooperation with local governments.

The services and facilities provided pursuant to this Act shall be provided for in a cooperation agreement executed jointly by the board and the governing bodies of Jackson County and any municipalities within which the district is partially located. The provisions of this section shall in no way limit the authority of Jackson County or any such municipality to provide services or facilities within the district; and Jackson County or such municipalities shall retain full and complete authority and control over any of their facilities located within their respective areas of any district. Said 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.**

Board, district powers.

(a) Each district and its board created pursuant hereto 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, leases of projects, contracts for sale of projects, agreements for loans to finance projects,

contracts with respect to the use of projects, and agreements with other jurisdictions or community improvement districts regarding multijurisdictional projects or services or for other cooperative endeavors to further the public purposes of the district;

(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 and to 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;

(6) To borrow money to further or carry out its public purposes and to execute bonds, notes, other obligations, leases, trust indentures, trust agreements, agreements for the sale of its bonds, notes, or other obligations, loan agreements, security agreements, assignments, and such other agreements or instruments as may be necessary or desirable, in the judgment of the board, to evidence and to provide security for such borrowing;

(7) To issue bonds, notes, or other obligations of the district and use the proceeds thereof for the purpose of paying all or any part of the cost of any project and otherwise to further or carry out the public purposes of the district and to pay all costs of the board incidental to, or necessary and appropriate to, furthering or carrying out such purposes;

(8) To make application directly or indirectly to any federal, state, county, or municipal government or agency or to any other source, whether public or private, for loans, grants, guarantees, or other financial assistance in furtherance of the district's public purposes and to accept and use the same upon such terms and conditions as are prescribed by such federal, state, county, or municipal government or agency or other source;

(9) To enter into agreements with the federal government or any agency thereof to use the facilities or services of the federal government or any agency thereof in order to further or carry out the public purposes of the district;

(10) To contract for any period, not exceeding 50 years, with the State of Georgia, state institutions, or a municipal corporation, county, or political subdivision of this state for the use by the district of any facilities or services of the state or any such state institution, municipal corporation, county, or political subdivision of this state, or for the use by any state institution or any municipal corporation, county, or political subdivision of the state of any facilities or services of the district, provided that such contracts shall deal with

such activities and transactions as the district and any such political subdivision with which the district contracts are authorized by law to undertake;

(11) To receive and use the proceeds of any tax levied by any county or any municipal corporation to pay the costs of any project or for any other purpose for which the board may use its own funds pursuant hereto;

(12) To receive and administer gifts, grants, and devises of money and property of any kind and to administer trusts;

(13) To use any real property, personal property, or fixtures or any interest therein or to rent or lease such property to or from others or make contracts with respect to the use thereof or to sell, lease, exchange, transfer, assign, pledge, or otherwise dispose of or grant options for any such property in any manner as it deems to be to the best advantage of the district and the public purposes thereof;

(14) To appoint, select, and employ engineers, surveyors, architects, urban or city planners, fiscal agents, attorneys, and others and to fix their compensation and pay their expenses;

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

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

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

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

(b) The powers enumerated in each paragraph of this section are cumulative of and in addition to those powers enumerated herein and elsewhere in this Act; and no such power limits or restricts any other power of the board.

## **SECTION 11.**

### **Bonds - generally.**

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

406 (b) All bonds, notes, and other obligations of any district shall be authorized by resolution  
407 of its board.

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

417 (d) The board shall have power from time to time and whenever it deems it expedient to  
418 refund any bonds by the issuance of new bonds, whether or not the bonds to be refunded  
419 have matured, and may issue bonds partly to refund bonds then outstanding and partly for  
420 any other purpose permitted hereunder. The refunding bonds may be exchanged for the  
421 bonds to be refunded, with such cash adjustments as may be agreed upon, or may be sold and  
422 the proceeds applied to the purchase or redemption of the bonds to be refunded.

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

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

430 (g) Bonds shall bear a certificate of validation. The signature of the clerk of the Superior  
431 Court of Jackson County may be made on the certificate of validation of such bonds by  
432 facsimile or by manual execution, stating the date on which such bonds were validated; and  
433 such entry shall be original evidence in any court in this state.

434 (h) In lieu of specifying the rate or rates of interest which such bonds are to bear, and the  
435 principal amount and maturities of such said bonds, the notice to the district attorney or the  
436 Attorney General, the notice to the public of the time, place, and date of the validation  
437 hearing, and the petition and complaint for validation may state that the bonds when issued  
438 will bear interest at a rate not exceeding a maximum per annum rate of interest, which may  
439 be fixed or may fluctuate or otherwise change from time to time, and that the principal  
440 amount will not exceed and the final maturity date will not be later than as specified in such  
441 notices and petition and complaint or may state that, in the event the bonds are to bear  
442 different rates of interest for different maturity dates, none of such rates will exceed the

maximum rate, which may be fixed or may fluctuate or otherwise change from time to time, so specified; provided, however, that nothing in this section shall be construed as prohibiting or restricting the right of a board to sell such bonds at a discount, even if in doing so the effective interest cost resulting therefrom would exceed the maximum per annum interest rate specified in such notices and in the petition and complaint.

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

## 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.

(a) Subject to the limitations and procedures provided by this section and 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 herein, 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.

## SECTION 13.

Construction; applicability of Chapter 5 of Title 10 of the O.C.G.A., the "Georgia Securities Act of 1973"; notice, proceeding, publication, referendum.

This Act shall be liberally construed to effect the purposes hereof. The offer, sale, or issuance of bonds, notes, or other obligations by a district shall not be subject to regulation under Chapter 5 of Title 10 of the O.C.G.A., the "Georgia Securities Act of 1973." No

476 notice, proceeding, or publication, except those required hereby, shall be necessary to the  
477 performance of any act authorized hereby, nor shall any such act be subject to referendum.

478 **SECTION 14.**

479 Dissolution.

480 (a) Any district activated under the provisions of this Act may be dissolved. The conditions  
481 for such dissolution shall be:

482 (1) The adoption of a resolution approving of the dissolution of each community  
483 improvement district by the Jackson County Board of Commissioners if wholly within  
484 the unincorporated area of Jackson County and such municipalities within which the  
485 district may be located if partially within the unincorporated area of Jackson County and  
486 partially within one or more municipalities, or by the governing authority of a  
487 municipality if wholly within the incorporated area thereof; and

488 (2) The written consent to the dissolution of the community improvement district by:

489 (A) Two-thirds (67 percent) of the owners of real property within the district which are  
490 subject to taxes, fees, and assessments levied by the board of the district; and

491 (B) The owners of real property constituting at least 75 percent by value of all real  
492 property within the district which are to be subject to taxes, fees, and assessments  
493 levied by the board and for this purpose value shall be determined by the most recent  
494 approved county ad valorem tax digest.

495 The written consent provided for in this paragraph shall be submitted to the Jackson  
496 County Tax Commissioner, who shall certify whether subparagraphs (A) and (B) of this  
497 paragraph have been satisfied with respect to each proposed district dissolution.

498 (b) At the official caucus of electors at which board members are to be elected in the sixth  
499 year following creation of the district, and every sixth year thereafter, the question shall be  
500 put to the electors present to dissolve the community improvement district. Upon an  
501 affirmative vote of a majority of the electors present and voting, who shall represent at least  
502 75 percent of the votes cast on the basis of value, the board shall send a ballot to each owner  
503 of property subject to taxes, fees, and assessments levied by the board for a vote on the  
504 dissolution. Upon receipt of ballots consenting to the dissolution from a majority of the  
505 property owners, who shall represent at least 75 percent of the assessed value of said  
506 properties, the board shall request dissolution by the governing authority and shall forward  
507 said ballots to the Jackson County Tax Commissioner for certification.

508 (c) In the event that successful action is taken pursuant to this section to dissolve the district,  
509 the dissolution shall become effective at such time as all debt obligations of the district have  
510 been satisfied. Following a successful dissolution action and until the dissolution becomes

511 effective, no new projects may be undertaken, obligations or debts incurred, or property  
512 acquired.

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

520 (e) When a dissolution becomes effective, the county governing authority, or the governing  
521 authority of a municipality if wholly within the incorporated area thereof, shall take title to  
522 all property previously in the ownership of the district and all taxes, fees, and assessments  
523 of the district shall cease to be levied and collected.

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

525 **SECTION 15.**

526 Repealer.

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