

House Bill 589

By: Representatives Ramsey of the 72<sup>nd</sup> and Fludd of the 66<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To create the City of Peachtree City Public Facilities Authority and to provide for the  
2 appointment of members of the authority; to confer powers upon the authority; to authorize  
3 the issuance of revenue bonds of the authority and to authorize the collection for the payment  
4 of such revenue bonds; to make the revenue bonds of the authority exempt from taxation to  
5 fix and provide the venue and jurisdiction of actions relating to any provisions of this Act;  
6 to provide for the validation of bonds; to provide for related matters; to provide for an  
7 effective date; to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Short title.

11 This Act shall be known and may be cited as the "City of Peachtree City Public Facilities  
12 Authority Act."

13 **SECTION 2.**

14 City of Peachtree City Public Facilities Authority.

15 (a) There is created a public body corporate and politic to be known as the "City of  
16 Peachtree City Public Facilities Authority," which shall be deemed to be a political  
17 subdivision of the state and a public corporation, and by that name, style, and title said body  
18 may contract and be contracted with, sue and be sued, implead and be impleaded, and  
19 complain and defend in all courts of law and equity. The authority shall have perpetual  
20 existence.

21 (b) The authority shall consist of five members who shall be appointed by the mayor and  
22 council of the City of Peachtree City. City councilmembers and the mayor may be appointed  
23 as members of the authority. With respect to the initial appointment by the mayor and

24 council of the City of Peachtree City, two members shall be appointed for a term of three  
 25 years, two members shall be appointed for a term of two years, and one member shall be  
 26 appointed for a term of one year. Thereafter, all appointments shall be made for terms of  
 27 three years and until successors are appointed and qualified. Immediately after such  
 28 appointments the members of the authority shall enter upon their duties. To be eligible for  
 29 appointment as a member of the authority a person shall be at least 21 years of age, shall be  
 30 a resident of the City of Peachtree City, Georgia, for at least two years prior to the date of his  
 31 or her appointment, and shall not have been convicted of a felony. Any member of the  
 32 authority may be selected and appointed to succeed himself or herself.

33 (c) The mayor and council of the City of Peachtree City may provide by resolution for  
 34 compensation for the services of the members of the authority in such amounts as they may  
 35 deem appropriate; provided, however, that such members shall be reimbursed for their actual  
 36 expenses necessarily incurred in the performance of their duties.

37 (d) The members of the authority shall elect one of their members to act as chairperson and  
 38 another as vice chairperson. The members of the authority shall also elect a secretary, who  
 39 need not be a member of the authority, and may also elect a treasurer, who need not be a  
 40 member of the authority. The secretary may also serve as treasurer. If the secretary and  
 41 treasurer are not members of the authority, such officers shall have no voting rights. Each of  
 42 such officers shall serve for a period of one year and until their successors are duly elected  
 43 and qualified.

44 (e) Four members of the authority shall constitute a quorum. No vacancy on the authority  
 45 shall impair the right of the quorum to exercise all of the rights and perform all of the duties  
 46 of the authority.

### 47 **SECTION 3.**

#### 48 **Definitions.**

49 As used in this Act, the term:

50 (1) "Authority" means the City of Peachtree City Public Facilities Authority created by  
 51 this Act.

52 (2) "Costs of the project" means and embraces the cost of construction; the cost of all  
 53 lands, properties, rights, easements, and franchises acquired; the cost of all machinery and  
 54 equipment; financing charges; interest prior to and during construction and for six months  
 55 after completion of construction; the cost of engineering, architectural, fiscal agents,  
 56 accounting, legal expenses, plans, specifications, and other expenses necessary or  
 57 incidental to determining the feasibility or practicability of the project; administrative  
 58 expenses and such other expenses as may be necessary or incident to the financing herein

59 authorized; working capital; and all other costs necessary to acquire, construct, add to,  
60 extend, improve, equip, operate, and maintain the project.

61 (3) "Project" means:

62 (A) All buildings, facilities, and equipment necessary or convenient for the efficient  
63 operation of the City of Peachtree City, Georgia, or any department, agency, division,  
64 or commission thereof; and

65 (B) Any undertaking permitted by the Revenue bond law.

66 (4) "Revenue bond law" means the revenue bond laws of the State of Georgia found at  
67 Article 3 of Chapter 82 of Title 36 of the O.C.G.A. or any other similar law hereinafter  
68 enacted.

69 (5) "Revenue bonds" means revenue bonds authorized to be issued pursuant to this Act.

70 (6) "Self-liquidating" means any project which the revenues and earnings to be derived  
71 by the authority therefrom, including, but not limited to, any contractual payments with  
72 governmental or private entities, and all properties used, leased, and sold in connection  
73 therewith, together with any grants, will be sufficient to pay the costs of operating,  
74 maintaining, and repairing the project and to pay the principal and interest on the revenue  
75 bonds or other obligations which may be issued for the purpose of paying the costs of the  
76 project.

77 (7) "State" means the State of Georgia.

#### 78 SECTION 4.

#### 79 Powers.

80 The authority shall have the power:

81 (1) To have a seal and alter the same at its pleasure;

82 (2) To acquire by purchase, lease, gift, condemnation, or otherwise, and to hold, operate,  
83 maintain, lease, and dispose of real and personal property of every kind and character for  
84 its corporate purposes;

85 (3) To acquire in its own name by purchase, on such terms and conditions and in such  
86 manner as it may deem proper, or by condemnation in accordance with the provisions of  
87 any and all existing laws applicable to the condemnation of property for public use, real  
88 property or rights or easements therein, or franchises necessary or convenient for its  
89 corporate purposes, and to use the same so long as its corporate existence shall continue,  
90 and to lease or make contracts with respect to the use of or dispose of the same in any  
91 manner it deems to the best advantage of the authority, the authority being under no  
92 obligation to accept and pay for any property condemned under this Act, except from the  
93 funds provided under the authority of this Act, and in any proceedings to condemn, such

94 orders may be made by the court having jurisdiction of the suit, action, or proceedings  
95 as may be just to the authority and to the owners of the property to be condemned, and  
96 no property shall be acquired under the provisions of this Act upon which any lien or  
97 encumbrance exists, unless at the time such property is so acquired a sufficient sum of  
98 money is to be deposited in trust to pay and redeem the fair value of such lien or  
99 encumbrances;

100 (4) To appoint, select, and employ officers, agents, and employees, including  
101 engineering, architectural, and construction experts, fiscal agents, and attorneys, and fix  
102 their respective compensations;

103 (5) To execute contracts, leases, installment sale agreements, and other agreements and  
104 instruments necessary or convenient in connection with the acquisition, construction,  
105 addition, extension, improvement, equipping, operation, or maintenance of a project; and  
106 any and all persons, firms and corporations, and the City of Peachtree City, Georgia, are  
107 authorized to enter into contracts, leases, installment sale agreements, and other  
108 agreements or instruments with the authority upon such terms and for such purposes as  
109 they deem advisable and as they are authorized by law;

110 (6) To acquire, construct, add to, extend, improve, equip, hold, operate, maintain, lease,  
111 and dispose of projects;

112 (7) To pay the costs of the project with the proceeds of revenue bonds or other  
113 obligations issued by the authority or from any grant or contribution from the United  
114 States of America or any agency or instrumentality thereof or from the state or any  
115 agency or instrumentality or other political subdivision thereof or from any other source  
116 whatsoever;

117 (8) To accept loans or grants of money or materials or property of any kind from the  
118 United States of America or any agency or instrumentality thereof, upon such terms and  
119 conditions as the United States of America or such agency or instrumentality may  
120 require;

121 (9) To accept loans or grants of money or materials or property of any kind from the state  
122 or any agency or instrumentality or political subdivision thereof, upon such terms and  
123 conditions as the state or such agency or instrumentality or political subdivision may  
124 require;

125 (10) To borrow money for any of its corporate purposes and to issue revenue bonds, and  
126 to provide for the payment of the same and for the rights of the holders thereof;

127 (11) To exercise any power usually possessed by private corporations performing similar  
128 functions, including the power to incur short-term debt and to approve, execute, and  
129 deliver appropriate evidence of any such indebtedness; and

130 (12) To do all things necessary or convenient to carry out the powers expressly given in  
131 this Act.

132 **SECTION 5.**

133 Revenue bonds.

134 The authority, or any authority or body which has or which may in the future succeed to the  
135 powers, duties, and liabilities vested in the authority created by this Act, shall have power  
136 and is authorized to provide by resolution for the issuance of revenue bonds of the authority  
137 for the purpose of paying all or any part of the costs of the project and for the purpose of  
138 refunding revenue bonds or other obligations previously issued. The principal of and interest  
139 on such revenue bonds shall be payable solely from the special fund provided for such  
140 payment. The revenue bonds of each issue shall be dated, shall bear interest at such rate or  
141 rates per annum, payable at such time or times, shall mature at such time or times not  
142 exceeding 40 years from their date or dates, shall be payable in such medium of payment as  
143 to both principal and interest as may be determined by the authority, and may be redeemable  
144 before maturity, at the option of the authority, at such price or prices and under such terms  
145 and conditions as may be fixed by the authority in the resolution for the issuance of such  
146 revenue bonds.

147 **SECTION 6.**

148 Same; form; denomination; registration; place of payment.

149 The authority shall determine the form of the revenue bonds and shall fix the denomination  
150 or denominations of the revenue bonds. The revenue bonds may be issued in coupon or  
151 registered form, or both, as the authority may determine, and provision may be made for  
152 registration and exchangeability privileges. The authority shall fix the place or places of  
153 payment of principal and interest thereon.

154 **SECTION 7.**

155 Same; signatures; seal.

156 All such revenue bonds shall bear the manual or facsimile signature of the chairperson or  
157 vice chairperson of the authority and the attesting manual or facsimile signature of the  
158 secretary, assistant secretary, or secretary-treasurer of the authority, and the official seal of  
159 the authority shall be impressed or imprinted thereon. Any coupons attached thereto shall  
160 bear the manual or facsimile signatures of the chairperson or vice chairperson and the

161 secretary, assistant secretary or secretary-treasurer of the authority. Any revenue bonds or  
162 coupons attached thereto may bear the manual or facsimile signature of such persons as at  
163 the actual time of the execution of such revenue bonds or coupons shall be duly authorized  
164 or hold the proper office, although at the date of issuance of such revenue bonds such person  
165 may not have been so authorized or shall not have held such office. In case any officer  
166 whose signature shall appear on any revenue bond or any coupon shall cease to be such  
167 officer before the delivery of such revenue bond, such signature shall nevertheless be valid  
168 and sufficient for all purposes, the same as if that person had remained in office until such  
169 delivery.

170 **SECTION 8.**

171 Same; negotiability; exemption from taxation.

172 All revenue bonds shall have and are declared to have all the qualities and incidents of  
173 negotiable instruments under the laws of the state. All revenue bonds, their transfer, and the  
174 income therefrom shall be exempt from all taxation within the state.

175 **SECTION 9.**

176 Same; sale; price; proceeds.

177 The authority may sell revenue bonds in such manner and for such price as it may determine  
178 to be in the best interest of the authority. The proceeds derived from the sale of revenue  
179 bonds shall be used solely for the purpose or purposes provided in the resolutions and  
180 proceedings authorizing the issuance of such revenue bonds.

181 **SECTION 10.**

182 Same; interim receipts and certificates or temporary bonds.

183 Prior to the preparation of any definitive revenue bonds, the authority may, under like  
184 restrictions, issue interim receipts, interim certificates, or temporary revenue bonds, with or  
185 without coupons, exchangeable for definitive revenue bonds upon the issuance of the latter.

186 **SECTION 11.**

187 Same; replacement of lost or mutilated bonds.

188 The authority may provide for the replacement of any revenue bonds or coupons which shall  
189 become mutilated or be destroyed or lost.

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**SECTION 12.**

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Same; conditions precedent to issuance.

192 The authority shall adopt a resolution authorizing the issuance of the revenue bonds. In the  
193 resolution, the authority shall determine that the project financed with the proceeds of the  
194 revenue bonds is self-liquidating. Revenue bonds may be issued without any other  
195 proceedings or the happening of any other conditions or things other than those proceedings,  
196 conditions, and things which are specified or required by this Act. Any resolution providing  
197 for the issuance of revenue bonds under the provisions of this Act shall become effective  
198 immediately upon its passage and need not be published or posted, and any such resolution  
199 may be passed at any regular or special or adjourned meeting of the authority by a majority  
200 of its members.

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**SECTION 13.**

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Credit not pledged.

203 Revenue bonds shall not be deemed to constitute a debt of the City of Peachtree City,  
204 Georgia, nor a pledge of the faith and credit of the city, but such revenue bonds shall be  
205 payable solely from the fund provided for in this Act. The issuance of such revenue bonds  
206 shall not directly, indirectly, or contingently obligate the city to levy or to pledge any form  
207 of taxation whatsoever for payment of such revenue bonds or to make any appropriation for  
208 their payment, and all such revenue bonds shall contain recitals on their face covering  
209 substantially the foregoing provisions of this section. Notwithstanding the foregoing  
210 provisions, this Act shall not affect the ability of the authority and any political subdivision  
211 or municipality to enter into an intergovernmental contract pursuant to which the political  
212 subdivision or municipality agrees to pay amounts sufficient to pay operating charges and  
213 other costs of the authority or any project including, without limitation, the principal of and  
214 interest on revenue bonds in consideration for services or facilities of the authority.

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**SECTION 14.**

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Trust indenture as security.

217 In the discretion of the authority, any issuance of revenue bonds may be secured by a trust  
218 indenture by and between the authority and a corporate trustee, which may be any trust  
219 company or bank having the powers of a trust company inside or outside the state. Either the  
220 resolution providing for the issuance of the revenue bonds or such trust indenture may  
221 contain such provisions for protecting and enforcing the rights and remedies of the

222 bondholders as may be reasonable and proper and not in violation of law, including  
 223 covenants setting forth the duties of the authority in relation to the acquisition and  
 224 construction of the project, the maintenance, operation, repair, and insuring of the project,  
 225 and the custody, safeguarding, and application of all moneys.

226 **SECTION 15.**

227 To whom proceeds of bonds shall be paid.

228 In the resolution providing for the issuance of revenue bonds or in the trust indenture, the  
 229 authority shall provide for the payment of the proceeds of the sale of the revenue bonds to  
 230 any officer or person who, or any agency, bank, or trust company which, shall act as trustee  
 231 of such funds and shall hold and apply the same to the purposes thereof subject to such  
 232 regulations as this Act and such resolution or trust indenture may provide.

233 **SECTION 16.**

234 Sinking fund

235 The moneys received pursuant to an intergovernmental contract and the revenues, fees, tolls,  
 236 charges, and earnings derived from any particular project or projects, regardless of whether  
 237 or not such revenues, fees, tolls, fines, charges, and earnings were produced by a particular  
 238 project for which revenue bonds have been issued, unless otherwise pledged and allocated,  
 239 may be pledged and allocated by the authority to the payment of the principal and interest  
 240 on revenue bonds of the authority as the resolution authorizing the issuance of the revenue  
 241 bonds or in the trust indenture may provide, and such funds so pledged from whatever source  
 242 received shall be set aside at regular intervals as may be provided in the resolution or trust  
 243 indenture into a sinking fund, which sinking fund shall be pledged to and charged with the  
 244 payment of:

- 245 (1) The interest upon such revenue bonds as such interest shall fall due;  
 246 (2) The principal or purchase price of such revenue bonds as the same shall fall due;  
 247 (3) Any premium upon such revenue bonds as the same shall fall due;  
 248 (4) The purchase of such revenue bonds in the open market; and  
 249 (5) The necessary charges of the paying agent for paying principal and interest.

250 The use and disposition of such sinking fund shall be subject to such regulations as may be  
 251 provided in the resolution authorizing the issuance of the revenue bonds or in the trust  
 252 indenture, but, except as may otherwise be provided in such resolution or trust indenture,  
 253 such sinking fund shall be maintained as a trust account for the benefit of all revenue bonds  
 254 without distinction or priority of one over another.



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**SECTION 17.**

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Remedies of bondholders.

257 Any holder of revenue bonds or any of the coupons appertaining thereto, and the trustee  
 258 under the trust indenture, if any, except to the extent the rights herein given may be restricted  
 259 by resolution passed before the issuance of the revenue bonds or by the trust indenture, may,  
 260 either at law or in equity, by suit, action, mandamus, or other proceedings, protect and  
 261 enforce any and all rights under the laws of the state, including specifically but without  
 262 limitation the revenue bond law, or granted hereunder or under such resolution or trust  
 263 indenture, and may enforce and compel performance of all duties required by this Act or by  
 264 such resolution or trust indenture to be performed by the authority or any officer thereof,  
 265 including the fixing, charging, and collecting of revenues, fees, tolls, fines, and other charges  
 266 for the use of the facilities and services furnished.

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**SECTION 18.**

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Validation.

269 Revenue bonds and the security therefor shall be confirmed and validated in accordance with  
 270 the procedure of revenue bond law. The petition for validation shall also make a party  
 271 defendant to such action the state; any institution, department, or other agency thereof; and  
 272 any county, municipality, school district, or other political subdivision or authority of the  
 273 state which has contracted with the authority for services or facilities relating to the project  
 274 for which revenue bonds are to be issued and sought to be validated, and such defendant shall  
 275 be required to show cause, if any exists, why such contract or contracts shall not be  
 276 adjudicated as a part of the basis for the security for the payment of any such revenue bonds.  
 277 The revenue bonds when validated and the judgment of validation shall be final and  
 278 conclusive with respect to such revenue bonds and the security for the payment thereof and  
 279 interest thereon and against the authority and all other defendants.

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**SECTION 19.**

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Venue and jurisdiction.

282 Any action to protect or enforce any rights under the provisions of this Act or any suit or  
 283 action against such authority shall be brought in the Superior Court of Fayette County,  
 284 Georgia, and any action pertaining to validation of any revenue bonds issued under the  
 285 provisions of this Act shall likewise be brought in said court which shall have exclusive,  
 286 original jurisdiction of such actions.

287 **SECTION 20.**

288 Interest of bondholders protected.

289 While any of the revenue bonds issued by the authority remain outstanding, the powers,  
290 duties, or existence of the authority or its officers, employees, or agents shall not be  
291 diminished or impaired in any manner that will affect adversely the interests and rights of the  
292 holders of such revenue bonds, and no other entity, department, agency, or authority will be  
293 created which will compete with the authority to such an extent as to affect adversely the  
294 interest and rights of the holders of such revenue bonds, nor will the state itself so compete  
295 with the authority. The provisions of this Act shall be for the benefit of the authority and the  
296 holders of any such revenue bonds and upon the issuance of such revenue bonds under the  
297 provisions hereof shall constitute a contract with the holders of such revenue bonds.

298 **SECTION 21.**

299 Moneys received considered trust funds.

300 All moneys received pursuant to the authority of this Act, whether as proceeds from the sale  
301 of revenue bonds, as grants or other contributions, or as revenue, income, fees, and earnings,  
302 shall be deemed to be trust funds to be held and applied solely as provided in this Act.

303 **SECTION 22.**

304 Purpose of the authority.

305 Without limiting the generality of any provision of this Act, the general purpose of the  
306 authority is declared to be that of providing buildings, facilities, equipment, and services for  
307 the citizens of the City of Peachtree City, Georgia.

308 **SECTION 23.**

309 Rates, charges, and revenues; use.

310 The authority is authorized to prescribe and fix rates and to revise the same from time to time  
311 and to collect revenues, tolls, fees, and charges for the services, facilities, and commodities  
312 furnished and, in anticipation of the collection of the revenues, to issue revenue bonds or  
313 other types of obligations as herein provided to finance, in whole or in part, the costs of the  
314 project and to pledge to the punctual payment of said revenue bonds or other obligations all  
315 or any part of the revenues.

316 **SECTION 24.**

317 Rules; regulations; service policies; and  
318 procedures for operation of projects.

319 It shall be the duty of the authority to prescribe or cause to be prescribed rules, regulations,  
320 service policies, and procedures for the operation of any project or projects constructed or  
321 acquired under the provisions of this Act. The authority may adopt bylaws.

322 **SECTION 25.**

323 Tort immunity.

324 To the extent permitted by law, the authority shall have the same immunity and exemption  
325 from liability for torts and negligence as the City of Peachtree City, Georgia; and the officers,  
326 agents, and employees of the authority when in the performance of the work of the authority  
327 shall have the same immunity and exemption from liability for torts and negligence as the  
328 officers, agents, and employees of the City of Peachtree City, Georgia, when in the  
329 performance of their public duties or the work of the city.

330 **SECTION 26.**

331 Tax-exempt status of the authority.

332 The properties of the authority, both real and personal, are declared to be public properties  
333 used for the benefit and welfare of the people of the state and not for purposes of private or  
334 corporate benefit and income, and such properties and the authority shall be exempt from all  
335 taxes and special assessments of any municipality, county, or the state and any political  
336 subdivision thereof.

337 **SECTION 27.**

338 Effect on other governments.

339 This Act shall not and does not in any way take from the City of Peachtree City, Georgia, or  
340 any political subdivision or municipality the authority to own, operate, and maintain public  
341 facilities or to issue revenue bonds as provided by the revenue bond law.

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**SECTION 28.**

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Liberal construction of Act.

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This Act, being for the welfare of various political subdivisions and municipalities of the

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state and its inhabitants, shall be liberally construed to effect the purposes hereof.

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**SECTION 29.**

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Effective date.

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This Act shall become effective upon its approval by the Governor or upon its becoming law

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without such approval.

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**SECTION 31.**

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Repealer.

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