

The House Committee on Intragovernmental Coordination - Local Legislation offers the following substitute to HB 815:

A BILL TO BE ENTITLED
AN ACT

1 To create the Central State Hospital Local Redevelopment Authority; to provide for a short
2 title; to confer powers and impose duties on the authority; to provide for the membership and
3 the appointment of members of the authority and their terms of office, qualifications, duties,
4 powers, and compensation; to provide for vacancies, organizations, meetings, and expenses;
5 to prohibit authority employees and members from having certain interests; to provide for
6 definitions; to provide for revenue bonds and their forms, signatures thereon, negotiability,
7 sale, and use of proceeds from such sales; to provide for interim documents and for lost or
8 mutilated documents; to provide for conditions for issuance; to prohibit the pledge of credit
9 for the payment of bonds; to provide for trust indentures and a sinking fund; to provide for
10 payment of bond proceeds; to provide for bondholders' remedies and protection; to provide
11 for refunding bonds; to provide for bond validation; to provide for venue and jurisdiction;
12 to provide for trust funds; to provide for authority purpose; to provide for chargers; to
13 provide for rules and regulations; to provide for tort immunity; to provide for tax exemptions;
14 to provide for supplemental powers; to provide for effect on other governments; to provide
15 for liberal construction; to provide for an effective date; to repeal conflicting laws; and for
16 other purposes.

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

18 SECTION 1.

19 Short title.

20 This Act shall be known and may be cited as the "Central State Hospital Local
21 Redevelopment Authority Act."

22 SECTION 2.

23 Definitions.

24 (a) As used in this Act, the term:

25 (1) "Authority" or "redevelopment authority" means the Central State Hospital Local
 26 Redevelopment Authority created by this Act.

27 (1.1) "Central State Hospital" means the Central State Hospital in Milledgeville, Georgia,
 28 now or formerly under the jurisdiction of the Georgia Department of Behavioral Health
 29 and Developmental Disabilities.

30 (2) "Cost of the project" means and embraces the cost of construction; the cost of all
 31 lands, properties, rights, easements, and franchises acquired; the cost of all machinery and
 32 equipment, financing charges, interest prior to and during construction and for one year
 33 after completion of construction; the cost of engineering, architectural, fiscal agent, and
 34 legal expenses, and of plans and specifications and other expenses necessary or incident
 35 to determining the feasibility or practicability of the project, administrative expenses, and
 36 such other expenses as may be necessary or incident to the financing authorized in this
 37 Act; the cost of the acquisition or construction of any project; and the cost of placing any
 38 project in operation. Any obligation or expense incurred for any of the foregoing
 39 purposes shall be regarded as a part of the cost of the project and may be paid or
 40 reimbursed as such out of the proceeds of revenue bonds issued under the provisions of
 41 this Act for such projects.

42 (3) "Economic development conveyance" has the same meaning as provided in 32 C.F.R.
 43 174.9(a).

44 (4) "Project" includes:

45 (A) The land and any one or more buildings or structures located in or on the land (the
 46 real property) now or formerly occupied by Central State Hospital and the real property
 47 adjacent thereto to be used in education, parks and recreation, transportation, health
 48 care, research, housing, commerce, or the production, manufacturing, procession,
 49 assembling, storing, or handling of any agricultural, manufactured, mining, or industrial
 50 products or any combination of the foregoing or similar uses, in every case with all
 51 necessary or useful furnishings, machinery, equipment, parking facilities, landscaping,
 52 and facilities for outdoor storage, all as determined by the authority, which
 53 determination shall be final and not subject to review; and there may be included as part
 54 of any such project all improvements necessary to the full utilization thereof, including
 55 site preparation, roads and streets, sidewalks, water supply, outdoor lighting, belt line
 56 railroad sidings and lead tracks, bridges, causeways, terminals for railroad and
 57 automotive transportation, and transportation facilities incidental to the project;

58 (B) The acquisition, construction, leasing, or equipping of new industrial facilities or
 59 the improvement, modification, acquisition, expansion, modernization, leasing,
 60 equipping, or remodeling of existing industrial or governmental facilities located or to

61 be located in or on the property now or formerly occupied by Central State Hospital and
 62 the properties adjacent thereto;

63 (C) The acquisition, construction, improvement, or modification of any property, real
 64 or personal, which any industrial concern might desire to use, acquire, or lease in
 65 connection with the operation of any plant or facility located or to be located in or on
 66 the property now or formerly occupied by Central State Hospital and the properties
 67 adjacent thereto; and

68 (D) The acquisition and development of land in or on the property now or formerly
 69 occupied by Central State Hospital as the site for an educational facility, historical
 70 preservation site, commercial enterprise, entertainment facility, park or recreational
 71 facility, industrial park, transportation facility, health care facility, research facility,
 72 residential project, or similar uses, provided that, for purposes of this subparagraph, the
 73 term "development of land" includes the provision of water, sewage, drainage, or
 74 similar facilities or transportation, power, or communication facilities which are
 75 incidental to use of the site as an educational facility, historical preservation site,
 76 commercial enterprise, entertainment facility, park or recreational facility, industrial
 77 park, transportation facility, health care facility, research facility, residential project, or
 78 similar use but, except with respect to such facilities, does not include the provision of
 79 structures or buildings.

80 (5) "Revenue bonds" or "bonds" means revenue bonds as defined and provided for in
 81 Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the "Revenue Bond Law," and such
 82 type of obligations may be issued by the authority as authorized under said "Revenue
 83 Bond Law" and any amendments thereto.

84 (b) Any project shall be deemed self-liquidating if, in the judgment of the authority, the
 85 revenues and earnings to be derived by the authority therefrom and all facilities used in
 86 connection therewith will be sufficient to pay the costs of operating, maintaining, repairing,
 87 improving, and extending the project and to pay the principal of and interest on the revenue
 88 bonds which may be issued to finance, in whole or in part, the cost of such project or
 89 projects.

90 SECTION 3.

91 Central State Hospital Local Redevelopment Authority.

92 (a) There is created a body corporate and politic, to be known as the "Central State
 93 Hospital Local Redevelopment Authority," which shall be deemed to be a political
 94 subdivision of the State of Georgia and a public corporation, and by that name, style, and
 95 title, said body may contract and be contracted with, sue and be sued, implead and be

96 impleaded, and bring and defend actions in all courts. The authority shall have perpetual
97 existence.

98 (b) The authority shall consist of not less than seven nor more than 11 members. In
99 addition, the Governor shall select a voting member to represent the State of Georgia. With
100 the exception of the member selected by the Governor to represent the State of Georgia,
101 the members shall be appointed by the mayor of the City of Milledgeville with the consent
102 of a majority of the Milledgeville City Council. Persons so appointed shall serve for initial
103 terms of office which shall expire on December 31 of the fourth year after their
104 appointment. After the initial terms of office, members of the authority shall serve for
105 terms of office of four years each. Members of the authority shall serve for their respective
106 terms of office specified in this subsection and until their respective successors are
107 appointed and qualified. Any member of the authority may be appointed to succeed
108 himself or herself. After such appointment, the members of such authority shall enter upon
109 their duties. Any vacancy on the authority shall be filled in the same manner as was the
110 original appointment of the member whose term of membership resulted in such vacancy.
111 A person appointed to fill a vacancy shall serve for the remainder of the unexpired term
112 and until the appointment and qualification of a successor. The members of the authority
113 shall be reimbursed, upon submission of sworn vouchers, for all actual expenses incurred
114 in the performance of their duties out of funds of the authority but shall receive no further
115 compensation. The authority shall make rules and regulations for its own government.

116 (c) To be eligible for appointment as a member of the authority, a person shall be at least
117 21 years of age and shall not have been convicted of a felony.

118 (d) The mayor of the City of Milledgeville with the consent of a majority of the
119 Milledgeville City Council shall appoint the chairperson of the authority who shall serve
120 as chairperson for a four-year term. The members of the authority shall elect from their
121 number a vice chairperson, secretary, and treasurer. The secretary may also serve as
122 treasurer. Each of such officers shall serve for a period of four years and until their
123 successors are duly elected and qualified. The chairperson of the authority shall be entitled
124 to vote upon any issue, motion, or resolution.

125 (e) In addition to the members set forth in subsection (b) of this section, there shall be ex
126 officio members who shall be as follows:

127 (1) One member appointed by the members of the Senate whose districts include all or
128 a portion of Central State Hospital and one member appointed by the members of the
129 House of Representatives whose districts include all or a portion of Central State
130 Hospital;

131 (2) The State Property Commission executive director or his or her designee;

132 (3) The commissioner of economic development or his or her designee;

133 (4) The commissioner of community affairs or his or her designee;

134 (5) The commissioner of natural resources or his or her designee;

135 (6) The commissioner of transportation or his or her designee;

136 (7) The Commissioner of Labor or his or her designee; and

137 (8) The chancellor of the University System of Georgia or his or her designee.

138 Such ex officio members shall have all of the rights and duties as other members of the
139 authority except that they shall not have the right to vote on any matter. At the request of
140 the authority, the mayor of the City of Milledgeville with the consent of a majority of the
141 Milledgeville City Council shall be authorized to appoint additional ex officio members of
142 the authority.

143 (f) The authority may create the following subcommittees: health care, education,
144 infrastructure, labor, real estate, economic development, housing and homelessness,
145 environment, quality of life, and others as deemed appropriate. The authority may appoint
146 as members of the subcommittees such individuals from the community as the authority
147 deems appropriate, and such members do not have to be members of the authority. The
148 subcommittees shall serve in an advisory capacity to the authority. The chairperson of the
149 authority shall choose from among the members of each subcommittee a person to serve
150 as chairperson of that subcommittee. The chairpersons of the subcommittees shall serve
151 four-year terms and shall be eligible for reappointment.

152 (g) A majority of the members of the authority, excluding ex officio members, shall
153 constitute a quorum. No vacancy on the authority shall impair the right of the quorum to
154 exercise all of the rights and perform all of the duties of the authority.

155 (h) A vacancy on the authority shall exist in the office of any member of the authority who
156 is convicted of a felony or who enters a plea of nolo contendere thereto; who is convicted
157 of a crime involving moral turpitude or who enters a plea of nolo contendere thereto; who
158 is convicted of any act of misfeasance, malfeasance, or nonfeasance of such person's duties
159 as a member of the authority; or who fails to attend three consecutive regular meetings of
160 the authority without an excuse approved by a resolution of the authority.

161 (i) All meetings of the authority, regular or special, shall be open to the public.

162 (j) No member or employee of the authority shall have, directly or indirectly, any financial
163 interest, profit, or benefit in any contract, work, or business of the authority nor in the sale,
164 lease, or purchase of any property to or from the authority.

165 **SECTION 4.**

166 Purpose of the authority.

167 Without limiting the generality of any provision of this Act, the general purpose of the
168 authority is declared to be that of executing and administering the reuse plan for the property

169 now or formerly occupied by Central State Hospital, executing economic development
 170 conveyances for such property now or formerly occupied by Central State Hospital resulting
 171 from the closure or realignment of Central State Hospital so as to ameliorate the impact of
 172 such closure or realignment on the communities and residents of Milledgeville and Baldwin
 173 County; extending and improving such projects; acquiring the necessary property therefor,
 174 both real and personal, with the right to contract for the use of or to lease or sell any or all
 175 of such facilities, including real property, to any persons, firms, or corporations, whether
 176 public or private, if in the sole judgment of the authority such use, lease, or sale supports the
 177 general purposes of the authority; and doing all things deemed by the authority necessary,
 178 convenient, and desirable for and incident to the efficient and proper development and
 179 operation of such type of undertakings.

180 **SECTION 5.**

181 Powers of the authority.

182 The authority shall have the power:

- 183 (1) To have a seal and alter the same at its pleasure;
- 184 (2) To acquire by purchase, lease, or otherwise, including acquisition of land from the
 185 state government, and to hold, lease, and dispose of real and personal property of every
 186 kind and character for its corporate purpose and to plan, acquire, establish, develop,
 187 construct, enlarge, improve, maintain, equip, and lease all projects which shall come
 188 under the control of the authority under the provisions of this Act or which it may acquire
 189 or plan to acquire; to regulate, protect, and police such projects and all related activities
 190 and facilities; to enter into any contracts, leases, or other charges for the use of property
 191 or services of the authority and collect and use the same as necessary to operate the
 192 projects under control of the authority; and to accomplish any of the purposes of this Act
 193 and make any purchases or sales necessary for such purposes;
- 194 (3) To acquire in its own name by purchase, on such terms and conditions and in such
 195 manner as it may deem proper, real property, or rights or easements therein, or franchises
 196 necessary or convenient for its corporate purpose, and to use the same so long as its
 197 corporate existence shall continue, and to lease or make contracts with respect to the use
 198 of such property, or dispose of the same in any manner it deems to be to the best
 199 advantage of the authority;
- 200 (4) To appoint, select, and employ officers, agents, and employees, including real estate,
 201 environmental, engineering, architectural, and construction experts, fiscal agents, and
 202 attorneys, and to fix their respective compensations;
- 203 (5) To make contracts and leases and to execute all instruments necessary or convenient,
 204 including contracts for construction of projects and leases of projects or contracts with

205 respect to the use of projects which it causes to be constructed, erected, or acquired. Any
206 and all persons, firms, and corporations and any and all political subdivisions,
207 departments, institutions, or agencies of the state and federal government are authorized
208 to enter into contracts, leases, or agreements with the authority upon such terms and for
209 such purposes as they deem advisable; and, without limiting the generality of the
210 foregoing, authority is specifically granted to municipal corporations, counties, political
211 subdivisions, and to the authority relative to entering into contracts, lease agreements, or
212 other undertakings authorized between the authority and private corporations, both inside
213 and outside this state, and between the authority and public bodies, including counties
214 and cities outside this state and the federal government;

215 (6) To construct, erect, acquire, own, repair, remodel, maintain, add to, extend, improve,
216 equip, operate, and manage projects, the cost of any such project to be paid in whole or
217 in part from the proceeds of revenue bonds of the authority or from such proceeds and
218 any grant or contribution from the United States of America or any agency or
219 instrumentality thereof or from the State of Georgia or any agency or instrumentality
220 thereof;

221 (7) To accept loans and grants of money or materials or property of any kind from the
222 United States of America or any agency or instrumentality thereof upon such terms and
223 conditions as the United States of America or such agency or instrumentality may
224 require;

225 (8) To accept loans and grants of money or materials or property of any kind from the
226 State of Georgia or any agency or instrumentality or political subdivision thereof upon
227 such terms and conditions as the State of Georgia or such agency or instrumentality or
228 political subdivision may require;

229 (9) To borrow money for any of its corporate purposes and to issue negotiable revenue
230 bonds payable solely from funds pledged for the purpose and to provide for the payment
231 of the same and for the rights of the holders thereof;

232 (10) To exercise any power usually possessed by private corporations performing similar
233 functions, including the power to make short-term loans and approve, execute, and
234 deliver appropriate evidence of such indebtedness, provided that no such power is in
235 conflict with the Constitution or general laws of this state;

236 (11) To encourage and facilitate job training and housing rehabilitation programs for
237 residents surrounding Central State Hospital; and

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

240 **SECTION 6.**

241 Revenue bonds.

242 The authority, or any authority or body which had or which may in the future succeed to the
243 powers, duties, and liabilities vested in the authority created by this Act, is authorized to
244 provide by resolution for the issuance of negotiable revenue bonds of the authority for the
245 purpose of paying all or any part of the cost of the project of any one or more projects. The
246 principal of and interest on such revenue bonds shall be payable solely from the special fund
247 provided in this Act for such payment. The bonds of each issue shall be dated, shall bear
248 interest at such rate or rates per annum, payable at such time or times, shall mature at such
249 time or times not exceeding 40 years from their date or dates, shall be payable in such
250 medium of payment as to both principal and interest as may be determined by the authority,
251 and may be redeemable before maturity, at the option of the authority, at such price or prices
252 and under such terms and conditions as may be fixed by the authority in the resolution for
253 the issuance of bonds.

254 **SECTION 7.**

255 Revenue bonds; form; denomination; registration; place of payment.

256 The authority shall determine the form of the bonds, including any interest coupons to be
257 attached thereto, and shall fix the denomination or denominations of the bonds and the place
258 or places of payment of principal and interest thereon, which may be at any bank or trust
259 company inside or outside this state. The bonds may be issued in coupon or registered form,
260 or both, as the authority may determine, and provisions may be made for the registration of
261 any coupon bond as to principal alone and also as to both principal and interest.

262 **SECTION 8.**

263 Revenue bonds; signatures; seal.

264 In case any officer whose signature appears on any bond or whose facsimile signature
265 appears on any coupon ceases to be such officer before the delivery of such bond, such
266 signature shall nevertheless be valid and sufficient for all purposes the same as if such officer
267 had remained in office until such delivery. All such bonds shall be signed by the chairperson
268 of the authority, and the official seal of the authority shall be affixed thereto and attested by
269 the secretary of the authority, and any coupons attached thereto shall bear the facsimile
270 signatures of the chairperson and the secretary of the authority. Any coupon may bear the
271 facsimile signatures of such persons, and any bond may be signed, sealed, and attested on
272 behalf of the authority by such persons as at the actual time of the execution of such bonds
273 shall be duly authorized or hold the proper office, although at the date of such bonds such
274 person may not have been so authorized or shall not have held such office.

275 **SECTION 9.**

276 Revenue bonds; negotiability; exemption from taxation.

277 All revenue bonds issued under the provisions of this Act shall have and are declared to have
278 all the qualities and incidents of negotiable instruments under the laws of this state. Such
279 bonds, their transfer, and the income therefrom shall be exempt from all taxation within this
280 state.

281 **SECTION 10.**

282 Revenue bonds; sale; price; proceeds.

283 The authority may sell such bonds in such manner and for such price as it may determine to
284 be for the best interests of the authority. The proceeds derived from the sale of such bonds
285 shall be used solely for the purpose or purposes provided in the resolutions and proceedings
286 authorizing the issuance of such bonds.

287 **SECTION 11.**

288 Revenue bonds; interim receipts and certificates or temporary bonds.

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

292 **SECTION 12.**

293 Revenue bonds; replacement of lost or mutilated bonds.

294 The authority may provide for the replacement of any bonds or coupons which become
295 mutilated or are destroyed or lost.

296 **SECTION 13.**

297 Revenue bonds; conditions precedent to issuance.

298 Such revenue bonds may be issued without any other proceedings or the happening of any
299 other conditions or things other than those proceedings, conditions, and things which are
300 specified or required by this Act. In the discretion of the authority, revenue bonds of a single
301 issue may be issued for the purpose of any particular project. Any resolution providing for
302 the issuance of revenue bonds under the provisions of this Act shall become effective
303 immediately upon its passage and need not be published or posted, and any such resolution
304 may be passed at any regular or special meeting of the authority by a majority of its
305 members.

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SECTION 14.

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Credit not pledged.

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Revenue bonds issued under the provisions of this Act shall not be deemed to constitute a debt of the State of Georgia or any county or municipality nor a pledge of the faith and credit of the State of Georgia or any county or municipality; but such bonds shall be payable solely from the fund hereinafter provided for, and the issuance of such revenue bonds shall not directly, indirectly, or contingently obligate the State of Georgia or any county or municipality to levy or to pledge any form of taxation whatever therefor to make any appropriation for their payment. All such bonds shall contain recitals on their face covering substantially the foregoing provisions of this section.

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SECTION 15.

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Trust indenture as security.

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In the discretion of the authority, any issuance of such revenue bonds may be secured by a trust indenture by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company inside or outside this state. Such trust indenture may pledge or assign fees, tolls, revenues, and earnings to be received by the authority. Either the resolution providing for the issuance of revenue bonds or such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the acquisition of property, the construction of the project, the maintenance, operation, repair, and insuring of the project, and the custody, safeguarding, and application of all moneys; may also provide that any project shall be constructed and paid for under the supervision and approval of consulting engineers or architects employed or designated by the authority and satisfactory to the original purchasers of the bonds issued therefor; may also require that the security given by contractors and by any depository of the proceeds of the bonds or revenues or other moneys be satisfactory to such purchasers; and may also contain provisions concerning the conditions, if any, upon which additional revenue bonds may be issued. It shall be lawful for any bank or trust company incorporated under the laws of this state to act as such depository and to furnish such indemnifying bonds or pledge such securities as may be required by the authority. Such indenture may set forth the rights and remedies of the bondholders and of the trustee and may restrict the individual right of action of bondholders as is customary in trust indentures securing bonds and debentures of corporations. In addition to the foregoing, such trust indenture may contain such other provisions as the authority may deem reasonable and proper for the security of the bondholders. All expenses

341 incurred in carrying out such trust indenture may be treated as a part of the cost of
 342 maintenance, operation, and repair of the project affected by such indenture.

343 **SECTION 16.**

344 To whom proceeds of bonds shall be paid.

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

350 **SECTION 17.**

351 Sinking fund.

352 The revenues, fees, tolls, and earnings derived from any particular project or projects,
 353 regardless of whether or not such fees, earnings, and revenues were produced by a particular
 354 project for which bonds have been issued, unless otherwise pledged and allocated, may be
 355 pledged and allocated by the authority to the payment of the principal and interest on revenue
 356 bonds of the authority as the resolution authorizing the issuance of the bonds or the trust
 357 instrument may provide. Such funds so pledged from whatever source received, including
 358 funds received from one or more or all sources, shall be set aside at regular intervals as may
 359 be provided in the resolution or trust indenture into a sinking fund which shall be pledged to
 360 and charged with the payment of:

- 361 (1) The interest upon such revenue bonds as such interest shall fall due;
 362 (2) The principal of the bonds as the same shall fall due;
 363 (3) The necessary charges of paying agents for paying principal and interest and other
 364 investment charges;
 365 (4) Any premium upon bonds retired by call or purchase as provided in this Act; and
 366 (5) Any investment fees or charges.

367 The use and disposition of such sinking fund shall be subject to such regulations as may
 368 be provided in the resolution authorizing the issuance of the revenue bonds or in the trust
 369 indenture, but, except as may otherwise be provided in such resolution or trust indenture,
 370 such sinking fund shall be maintained as a trust account for the benefit of all revenue bonds
 371 without distinction or priority of one over another. Subject to the provisions of the
 372 resolution authorizing the issuance of the bonds or the trust indenture, any surplus moneys
 373 in the sinking fund may be applied to the purchase or redemption of bonds, and any such
 374 bonds so purchased or redeemed shall forthwith be canceled and shall not again be issued.

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SECTION 18.

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Remedies of bondholders.

377 Any holder of revenue bonds issued under the provisions of this Act or any of the coupons
378 appertaining thereto and the trustee under the trust indenture, if any, except to the extent the
379 rights given in this Act may be restricted by resolution passed before the issuance of the
380 bonds or by the trust indenture, may, either at law or in equity, by suit, action, mandamus,
381 or other proceedings, protect and enforce any and all rights under the laws of this state or
382 granted under this Act or under such resolution or trust indenture and may enforce and
383 compel performance of all duties required by this Act or by such resolution or trust indenture
384 to be performed by the authority or any officer thereof, including the fixing, charging, and
385 collecting of revenues, fees, tolls, and other charges for the use of the facilities and services
386 furnished.

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SECTION 19.

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Refunding bonds.

389 The authority is authorized to provide by resolution for the issuance of bonds of the authority
390 for the purpose of funding or refunding any revenue bonds issued under the provisions of this
391 Act and then outstanding, together with accrued interest thereon and premium, if any. The
392 issuance of such funding or refunding bonds, the maturities and all other details thereof, the
393 rights of the holders thereof, and the duties of the authority in respect to the same shall be
394 governed by the foregoing provisions of this Act insofar as the same may be applicable.

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SECTION 20.

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Validation.

397 Bonds of the authority shall be confirmed and validated in accordance with the procedures
398 of Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the "Revenue Bond Law." The
399 petition for validation shall also make party defendants to such action the State of Georgia
400 or any municipality, county, authority, political subdivision, or instrumentality of the State
401 of Georgia which has contracted with the authority for the services and facilities of the
402 project for which bonds are to be issued and sought to be validated, and the state or such
403 municipality, county, authority, political subdivision, or instrumentality shall be required to
404 show cause, if any exists, why such contract or contracts and the terms and conditions thereof
405 should not be inquired into by the court and the contract or contracts adjudicated as a part of
406 the basis for the security for the payment of any such bonds of the authority. The bonds,
407 when validated, and the judgment of validation shall be final and conclusive with respect to
408 such bonds and the security of the payment thereof and interest thereon and against the
409 authority issuing the same and the state and any municipality, county, authority, political

410 subdivision, or instrumentality, if a party to the validation proceedings, contracting with the
411 redevelopment authority.

412 **SECTION 21.**

413 Venue and jurisdiction.

414 Any action to protect or enforce any rights under the provisions of this Act or any suit or
415 action against such authority shall be brought in the Superior Court of Baldwin County,
416 Georgia; and any action pertaining to validation of any bonds issued under the provisions of
417 this Act shall likewise be brought in said court which shall have exclusive, original
418 jurisdiction of such actions.

419 **SECTION 22.**

420 Interest of bondholders protected.

421 While any of the bonds issued by the authority remain outstanding, the powers, duties, or
422 existence of said authority or its officers, employees, or agents shall not be diminished or
423 impaired in any manner that will affect adversely the interests and rights of the holders of
424 such bonds. No other entity, department, agency, or authority shall be created which will
425 compete with the authority to such an extent as to affect adversely the interest and rights of
426 the holders of such bonds, nor will the state itself so compete with the authority. The
427 provisions of this Act shall be for the benefit of the authority and the holders of any such
428 bonds and, upon the issuance of bonds under the provisions hereof, shall constitute a contract
429 with the holders of such bonds.

430 **SECTION 23.**

431 Moneys received considered trust funds.

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

435 **SECTION 24.**

436 Rates, charges, and revenues; use.

437 The authority is authorized to prescribe and fix rates and to revise the same from time to time
438 and to collect fees, tolls, and charges for the services, facilities, and commodities furnished
439 and, in anticipation of the collection of the revenues of such undertaking or project, to issue
440 revenue bonds as herein provided to finance, in whole or in part, the cost of the acquisition,
441 construction, reconstruction, improvement, betterment, or extension of any project and to
442 pledge to the punctual payment of said bonds and interest thereon all or any part of the

443 revenues of such undertaking or project, including the revenues of improvements,
444 betterments, or extensions thereto thereafter made.

445 **SECTION 25.**

446 Rules and regulations for operation of projects.

447 It shall be the duty of the authority to prescribe rules and regulations for the operation of the
448 project or projects constructed or acquired under the provisions of this Act.

449 **SECTION 26.**

450 Tort immunity.

451 The authority shall have the same immunity and exemption from liability for torts and
452 negligence as other counties and municipalities in this state; and the officers, agents, and
453 employees of the authority, when in the performance of the work of the authority, shall have
454 the same immunity and exemption from liability for torts and negligence as officers, agents,
455 and employees of other counties and municipalities in this state when in the performance of
456 their public duties or work of such political subdivisions.

457 **SECTION 27.**

458 Tax exemption.

459 It is found, determined, and declared that the creation of the authority and the carrying out
460 of its corporate purpose is in all respects for the benefit of the people of this state; that the
461 authority is an institution of purely public charity and will be performing an essential
462 governmental function in the exercise of the power conferred upon it by this Act; that this
463 state covenants with the holders of the bonds that the authority shall not be required to pay
464 any taxes or assessments upon any of the property acquired or leased by it or under its
465 jurisdiction, control, possession, or supervision or upon its activities in the operation or
466 maintenance of the projects erected by it or any rates, fees, tolls, or other charges for the use
467 of such projects or other income received by the authority; and that the bonds of the
468 authority, their transfer, and the income therefrom shall at all times be exempt from taxation
469 within this state. The exemption from taxation provided for in this section shall not extend
470 to tenants or lessees of the authority and shall not include exemptions from sales and use
471 taxes on property purchased by the authority or for use by the authority.

472 **SECTION 28.**

473 Power declared supplemental and additional.

474 The foregoing sections of this Act shall be deemed to provide an additional and alternative
475 method for the doing of the things authorized by this Act, shall be regarded as supplemental

476 and additional to powers conferred by other laws, and shall not be regarded as in derogation
477 of any powers now existing.

478 **SECTION 29.**

479 Effect on other governments.

480 This Act shall not and does not in any way take from any county or municipality the
481 authority to own, operate, and maintain projects or to issue revenue bonds as is provided by
482 Article 3 of Chapter 82 of Title 36 of the O.C.G.A., the "Revenue Bond Law."

483 **SECTION 30.**

484 Liberal construction of Act.

485 This Act being for the welfare of various political subdivisions of this state and its
486 inhabitants shall be liberally construed to effect the purposes of this Act.

487 **SECTION 31.**

488 Effective date.

489 This Act shall become effective upon its approval by the Governor or upon its becoming law
490 without such approval.

491 **SECTION 32.**

492 Repealer.

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