

COMMITTEE OF CONFERENCE SUBSTITUTE TO SB 374

A BILL TO BE ENTITLED

AN ACT

1 To amend Chapter 61 of Title 36 of the Official Code of Georgia Annotated, relating to
 2 urban redevelopment for counties and municipal corporations, so as to provide for the use
 3 of surface transportation projects in urban redevelopment areas; to provide for definitions;
 4 to revise terminology from "slums" to "pockets of blight"; to provide for public contracts
 5 with private enterprises for the completion of surface transportation projects; to provide for
 6 methods of procurement for surface transportation projects in urban redevelopment areas;
 7 to provide for limitations on former public employees when negotiating contracts for surface
 8 transportation projects; to provide for the issuance of bonds for urban redevelopment
 9 projects; to amend Chapter 33 of Title 36 of the Official Code of Georgia Annotated, relating
 10 to liability of municipal corporations for acts or omissions, so as to revise provisions relating
 11 to immunity of municipal corporations; to provide for related matters; to provide for an
 12 effective date and applicability; to repeal conflicting laws; and for other purposes.

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

14 Chapter 61 of Title 36 of the Official Code of Georgia Annotated, relating to urban
 15 redevelopment for counties and municipal corporations, is amended by revising Code Section
 16 36-61-2, relating to definitions, as follows:
 17

18 "36-61-2.

19 As used in this chapter, the term:

20 (1) 'Agency' or 'urban redevelopment agency' means a public agency created by Code
 21 Section 36-61-18.

22 (2) 'Area of operation' means the area within the corporate limits of the municipality or
 23 county and the area within five miles of such limits, except that it shall not include any
 24 area which lies within the territorial boundaries of another incorporated municipality or
 25 another county unless a resolution is adopted by the governing body of such other
 26 municipality or county declaring a need therefor.

- 27 (3) 'Board' or 'commission' means a board, commission, department, division, office,
 28 body, or other unit of the municipality or county.
- 29 (4) 'Bonds' means any bonds (including refunding bonds), notes, interim certificates,
 30 certificates of indebtedness, debentures, or other obligations.
- 31 (5) 'Clerk' means the clerk or other official of the municipality or county who is the
 32 custodian of the official records of such municipality or county.
- 33 (6) 'County' means any county in this state.
- 34 (7) 'Downtown development authority' means an authority created pursuant to Chapter
 35 42 of this title.
- 36 (8) 'Federal government' means the United States of America or any agency or
 37 instrumentality, corporate or otherwise, of the United States of America.
- 38 (9) 'Housing authority' means a housing authority created by and established pursuant
 39 to Article 1 of Chapter 3 of Title 8, the 'Housing Authorities Law.'
- 40 (10) 'Local governing body' means the council or other legislative body charged with
 41 governing the municipality and the board of commissioners or governing authority of the
 42 county.
- 43 (11) 'Mayor' means the mayor of a municipality or other officer or body having the
 44 duties customarily imposed upon the executive head of a municipality.
- 45 (12) 'Municipality' means any incorporated city or town in ~~the~~ this state.
- 46 (13) 'Obligee' includes any bondholder, agents, or trustees for any bondholders, or any
 47 lessor demising to the municipality or county property used in connection with an urban
 48 redevelopment project, or any assignee or assignees of such lessor's interest or any part
 49 thereof, and the federal government when it is a party to any contract with the
 50 municipality or county.
- 51 (14) 'Person' means any individual, firm, partnership, corporation, company, association,
 52 joint-stock association, or body politic and includes any trustee, receiver, assignee, or
 53 other person acting in a similar representative capacity.
- 54 (15) 'Pocket of blight' means an area in which there is a predominance of buildings or
 55 improvements, whether residential or nonresidential, which by reason of dilapidation,
 56 deterioration, age, or obsolescence; inadequate provision for ventilation, light, air,
 57 sanitation, or open spaces; high density of population and overcrowding; existence of
 58 conditions which endanger life or property by fire and other causes; or any combination
 59 of such factors is conducive to ill health, transmission of disease, infant mortality,
 60 juvenile delinquency, or crime and is detrimental to the public health, safety, morals, or
 61 welfare. 'Pocket of blight' also means an area which by reason of the presence of a
 62 substantial number of deteriorated or deteriorating structures; predominance of defective
 63 or inadequate street layout; faulty lot layout in relation to size, adequacy, accessibility,

64 or usefulness; unsanitary or unsafe conditions; deterioration of site or other
 65 improvements; tax or special assessment delinquency exceeding the fair value of the land;
 66 the existence of conditions which endanger life or property by fire and other causes; by
 67 having development impaired by airport or transportation noise or by other environmental
 68 hazards; or any combination of such factors substantially impairs or arrests the sound
 69 growth of a municipality or county, retards the provisions of housing accommodations,
 70 or constitutes an economic or social liability and is a menace to the public health, safety,
 71 morals, or welfare in its present condition and use.

72 (16) 'Pocket of blight clearance and redevelopment' may include:

73 (A) Acquisition of a pocket of blight or portion thereof;

74 (B) Rehabilitation or demolition and removal of buildings and improvements;

75 (C) Installation, construction, or reconstruction of streets, utilities, parks, playgrounds,
 76 transit facilities, sidewalks, streetscapes, trails, bicycle facilities, and other
 77 improvements necessary for carrying out in the area the urban redevelopment
 78 provisions of this chapter in accordance with the urban redevelopment plan; and

79 (D) Making the land available for development or redevelopment by private enterprise
 80 or public agencies, including sale, initial leasing, or retention by the municipality or
 81 county itself, at its fair value for uses in accordance with the urban redevelopment plan.

82 ~~(15)~~(17) 'Public body' means the state or any municipality, county, board, commission,
 83 authority, district, housing authority, urban redevelopment agency, or other subdivision
 84 or public body of the state.

85 ~~(16)~~(18) 'Real property' includes all lands, including improvements and fixtures thereon
 86 and property of any nature appurtenant thereto or used in connection therewith, and every
 87 estate, interest, right, and use, legal or equitable, therein, including terms for years and
 88 liens by way of judgment, mortgage, or otherwise.

89 ~~(17)~~(19) 'Rehabilitation' or 'conservation' may include the restoration and redevelopment
 90 of a ~~slum area~~ pocket of blight or portion thereof, in accordance with an urban
 91 redevelopment plan, by:

92 (A) Carrying out plans for a program of voluntary or compulsory repair and
 93 rehabilitation of buildings or other improvements;

94 (B) Acquisition of real property and rehabilitation or demolition and removal of
 95 buildings and improvements thereon where necessary to eliminate unhealthful,
 96 unsanitary, or unsafe conditions, to lessen or increase density, to reduce traffic hazards,
 97 to eliminate obsolete or other uses detrimental to the public welfare, to otherwise
 98 remove or prevent the spread of ~~slums~~ pockets of blight or deterioration, or to provide
 99 land for needed public facilities or improvements, including, but not limited to, surface
 100 transportation projects;

101 (C) Installation, construction, or reconstruction of streets, transit facilities and
 102 improvements, sidewalks, streetscapes, trails, bicycle facilities, utilities, parks,
 103 playgrounds, and other improvements necessary for carrying out in the area the urban
 104 redevelopment provisions of this chapter; and

105 (D) The disposition of any property acquired in such urban redevelopment area,
 106 including sale, initial leasing or retention by the municipality or county itself, at its fair
 107 value for uses in accordance with the urban redevelopment plan.

108 ~~(18) 'Slum area' means an area in which there is a predominance of buildings or~~
 109 ~~improvements, whether residential or nonresidential, which by reason of dilapidation,~~
 110 ~~deterioration, age, or obsolescence; inadequate provision for ventilation, light, air,~~
 111 ~~sanitation, or open spaces; high density of population and overcrowding; existence of~~
 112 ~~conditions which endanger life or property by fire and other causes; or any combination~~
 113 ~~of such factors is conducive to ill health, transmission of disease, infant mortality,~~
 114 ~~juvenile delinquency, or crime and is detrimental to the public health, safety, morals, or~~
 115 ~~welfare. 'Slum area' also means an area which by reason of the presence of a substantial~~
 116 ~~number of slum, deteriorated, or deteriorating structures; predominance of defective or~~
 117 ~~inadequate street layout; faulty lot layout in relation to size, adequacy, accessibility, or~~
 118 ~~usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements;~~
 119 ~~tax or special assessment delinquency exceeding the fair value of the land; the existence~~
 120 ~~of conditions which endanger life or property by fire and other causes; by having~~
 121 ~~development impaired by airport or transportation noise or by other environmental~~
 122 ~~hazards; or any combination of such factors substantially impairs or arrests the sound~~
 123 ~~growth of a municipality or county, retards the provisions of housing accommodations,~~
 124 ~~or constitutes an economic or social liability and is a menace to the public health, safety,~~
 125 ~~morals, or welfare in its present condition and use.~~

126 ~~(19) 'Slum clearance and redevelopment' may include:~~

127 ~~(A) Acquisition of a slum area or portion thereof;~~

128 ~~(B) Rehabilitation or demolition and removal of buildings and improvements;~~

129 ~~(C) Installation, construction, or reconstruction of streets, utilities, parks, playgrounds,~~
 130 ~~and other improvements necessary for carrying out in the area the urban redevelopment~~
 131 ~~provisions of this chapter in accordance with the urban redevelopment plan; and~~

132 ~~(D) Making the land available for development or redevelopment by private enterprise~~
 133 ~~or public agencies (including sale, initial leasing, or retention by the municipality or~~
 134 ~~county itself) at its fair value for uses in accordance with the urban redevelopment plan.~~

135 (20) 'Sponsoring local government' means the municipality or county which approves
 136 and is, directly or indirectly, providing the greatest percentage of the public funding,
 137 exclusive of federal funding, for a surface transportation project.

138 (21) 'Surface transportation project' means a project for public improvement and any
 139 related public facilities which is planned to impact 10,000 or more acres and at least ten
 140 transit miles within the area of operation of the sponsoring local government, including
 141 any related facilities, systems, parks, trails, streets, greenspace, and any other integrated
 142 public or private development features included within any adopted infrastructure or
 143 transportation plan, urban redevelopment plan, strategic implementation plan,
 144 redevelopment plan, workable programs, or comprehensive plans. Surface transportation
 145 projects may be undertaken under this chapter in areas proximate to, but lying outside of,
 146 a designated urban redevelopment area, without regard to any requirement that the area
 147 be a pocket of blight, but only within the territorial limits of the sponsoring local
 148 government, provided that:

149 (A) The majority of the applicable surface transportation project is located within one
 150 or more urban redevelopment areas;

151 (B) The elements of such surface transportation project lying outside of one or more
 152 urban redevelopment areas are a functional component of a redevelopment plan
 153 authorized under the provisions of Chapter 44 of this title or a comprehensive
 154 development plan adopted in accordance with the rules of the Department of
 155 Community Affairs under Chapter 8 of Title 50; and

156 (C) The sponsoring local government determines that the elements of the surface
 157 transportation project lying outside of one or more urban redevelopment areas are
 158 essential to the full implementation of such project, which legislative determination
 159 shall be deemed conclusive.

160 (22) 'Urban redevelopment area' means a ~~slum~~ area pocket of blight which the local
 161 governing body designates as appropriate for an urban redevelopment project.

162 (21)(23) 'Urban redevelopment plan' means a plan, as it exists from time to time, for an
 163 urban redevelopment project, which plan shall:

164 (A) Conform to the general plan for the municipality or county as a whole; and

165 (B) Be sufficiently complete to indicate such land acquisition, demolition and removal
 166 of structures, redevelopment, improvements, and rehabilitation as may be proposed to
 167 be carried out in the urban redevelopment area; zoning and planning changes, if any;
 168 land uses; maximum densities; building requirements; and the plan's relationship to
 169 definite local objectives respecting appropriate land uses, improved traffic, public
 170 transportation, public utilities, recreational and community facilities, and other public
 171 improvements.

172 (22)(24) 'Urban redevelopment project' may include undertakings or activities of a
 173 municipality or county in an urban redevelopment area for the elimination and for the
 174 prevention of the development or spread of ~~slums~~ pockets of blight and may involve ~~slum~~

175 pocket of blight clearance and redevelopment in an urban redevelopment area,
 176 rehabilitation or conservation in an urban redevelopment area, the implementation of
 177 public improvements, including, but not limited to, surface transportation projects, or any
 178 combination or part thereof, in accordance with an urban redevelopment plan. Although
 179 the power of eminent domain may not be exercised for ~~such~~ the following purposes, such
 180 undertakings or activities may include:

181 (A) Acquisition, without regard to any requirement that the area be a ~~slum or blighted~~
 182 ~~area~~ pocket of blight, of air rights in an area consisting of lands and highways, railway
 183 or subway tracks, bridge or tunnel entrances, or other similar facilities which have a
 184 blighting influence on the surrounding area and over which air rights sites are to be
 185 developed for the elimination of such blighting influences and for the provision of
 186 housing and related facilities and uses designed for, and limited primarily to, families
 187 and individuals of low or moderate income; and

188 (B) Construction of foundations and platforms necessary for the provision of air rights
 189 sites of housing and related facilities and uses designed for, and limited primarily to,
 190 families and individuals of low or moderate income or construction of foundations
 191 necessary for the provision of air rights sites for development of nonresidential
 192 facilities."

193 **SECTION 2.**

194 Said chapter is further amended by revising Code Section 36-61-3, relating to legislative
 195 findings and declaration of necessity, as follows:

196 "36-61-3.

197 (a) It is found and declared that there exist in municipalities and counties of this state ~~slum~~
 198 ~~areas~~ pockets of blight, as defined in paragraph ~~(18)~~ (15) of Code Section 36-61-2, which
 199 constitute a serious and growing menace, injurious to the public health, safety, morals, and
 200 welfare of the residents of this state; that the existence of such areas contributes
 201 substantially and increasingly to the spread of disease and crime, constitutes an economic
 202 and social liability, substantially impairs or arrests the sound growth of municipalities and
 203 counties, retards the provision of housing accommodations, aggravates traffic problems,
 204 and substantially impairs or arrests the elimination of traffic hazards and the improvement
 205 of traffic facilities; and that the prevention and elimination of ~~slums~~ pockets of blight is a
 206 matter of state policy and state concern, in order that ~~the~~ this state and its municipalities
 207 and counties shall not continue to be endangered by areas which are local centers of
 208 disease, promote juvenile delinquency, and, while contributing little to the tax income of
 209 ~~the~~ this state and its municipalities and counties, consume an excessive proportion of its

210 revenues because of the extra services required for police, fire, accident, hospitalization,
211 and other forms of public protection, services, and facilities.

212 (b) It is further found and declared that certain ~~slum areas~~ pockets of blight or portions
213 thereof may require acquisition, clearance, and disposition, subject to use restrictions, as
214 provided in this chapter, since the prevailing condition of decay may make impracticable
215 the reclamation of the area by conservation or rehabilitation; that the other areas or portions
216 thereof, through the means provided in this chapter, may be susceptible of conservation or
217 rehabilitation in such a manner that the conditions and evils enumerated in subsection (a)
218 of this Code section may be eliminated, remedied, or prevented and that, to the extent that
219 is feasible, salvable ~~slum areas~~ pockets of blight should be conserved and rehabilitated
220 through voluntary action and the regulatory process.

221 (c) It is further found and declared that the powers conferred by this chapter are for public
222 uses and purposes for which public money may be expended and the power of eminent
223 domain may be exercised. The necessity, in the public interest, for the provisions enacted
224 in this chapter is declared as a matter of legislative determination."

225 SECTION 3.

226 Said chapter is further amended by revising Code Section 36-61-4, relating to the
227 encouragement of private enterprise in urban redevelopment, as follows:

228 "36-61-4.

229 (a) A municipality or county, to the greatest extent it determines to be feasible in carrying
230 out the provisions of this chapter, shall afford maximum opportunity, consistent with the
231 sound needs of the municipality or county as a whole, to the rehabilitation or
232 redevelopment of the urban redevelopment area by private enterprise. A municipality or
233 county shall give consideration to this objective in exercising its powers under this chapter,
234 including: the formulation of a workable program; the approval of urban redevelopment
235 plans consistent with the general plan for the municipality or county; the adoption and
236 enforcement of ordinances as provided for in Code Section 36-61-11; the exercise of its
237 zoning powers; the enforcement of other laws, codes, and regulations relating to the use of
238 land and the use and occupancy of buildings and improvements; the disposition of any
239 property acquired; and the provision of necessary public improvements.

240 (b) Notwithstanding anything in this chapter or other provisions of law to the contrary, and
241 in order to give effect to the encouragement of private enterprise contemplated in this Code
242 section, the following shall apply to contracts and agreements for surface transportation
243 projects entered into pursuant to this chapter:

244 (1) In addition to other methods of procurement authorized by law, the sponsoring local
245 government, urban redevelopment agency, or other governing body shall be authorized

246 to utilize the procedures of this chapter to provide for the planning, design, finance,
247 construction, acquisition, leasing, operation, and maintenance of surface transportation
248 projects. The provisions of this chapter shall be an alternative to such other methods to
249 be exercised at the option of each sponsoring local government or public body;

250 (2) One or more public bodies may participate in the consideration and implementation
251 of a surface transportation project at the discretion of the sponsoring local government.
252 Where more than one public body agrees to participate in the consideration or
253 implementation of a surface transportation project, the participants may designate one or
254 more representatives of each such participating public body, as agreed to by the
255 sponsoring local government or the urban redevelopment agency;

256 (3)(A) An urban redevelopment agency designated by the sponsoring local government
257 may evaluate a project to determine the appropriate or desirable levels of public and
258 private participation in planning, designing, financing, constructing, operating,
259 maintaining, or facilitating, or any combination thereof, for the execution of such
260 project. Such urban redevelopment agency may designate a public nonprofit, private
261 corporation, body, or entity to perform this function and to otherwise perform the
262 activities contemplated in this Code section.

263 (B) A sponsoring local government or an urban redevelopment agency shall be
264 authorized to issue, individually or in sequenced stages, written requests for expressions
265 of interest, qualifications, or proposals, or any combination thereof, or other similar
266 methods of procurement or solicitation. Such requests shall indicate the scope of the
267 project, the proposed public and private financial participation in the project, including,
268 but not limited to, the rights, responsibilities, obligations, revenue sharing features, any
269 lease, license, availability or other payment rights, and any other allocations of interests
270 and federal and state income tax benefits in respect of real and personal property
271 relating to a project. Such requests shall include the factors to be used in evaluating
272 responses, the relative importance of any applicable evaluation factors, and other
273 contractual terms and conditions expected, including any unique capabilities or
274 qualifications that will be required of respondents, as determined in the sole discretion
275 of the designated representative of the sponsoring local government. Public notice of
276 such requests shall be made at least 30 days prior to the date set for the release of said
277 request by posting a legal notice on the websites of the sponsoring local government
278 and the public body implementing the project, in substantially the same manner utilized
279 by such public bodies in order to solicit requests for proposals, with a copy of such
280 notice provided simultaneously to each affected public body.

281 (C)(i) The public body implementing the project and the sponsoring local
282 government, with the participation of any designated representatives of other

283 participating public bodies as determined by the sponsoring local government, may
284 engage in individual discussions and interviews with each respondent deemed fully
285 qualified, responsible, and suitable on the basis of initial responses and with emphasis
286 on professional competence and ability to meet the level of private financial
287 participation as called for in such request. Repetitive interviews and negotiation
288 sessions may be conducted. Any such interviews and negotiation sessions shall be
289 deemed to be a part of the procurement process.

290 (ii)(I) At the conclusion of the final stage, on the basis of evaluation factors
291 published in the request and all information developed in the selection process, the
292 public body implementing the surface transportation project, in an open and public
293 meeting subject to the provisions of Chapter 14 of Title 50, shall select one or more
294 respondents whose qualifications and proposed services are deemed most
295 meritorious.

296 (II) Negotiations shall then be conducted by the designated representative with the
297 selected respondent or respondents. Negotiations conducted with one or more
298 selected respondent pursuant to this Code section shall continue to be deemed an
299 active procurement until the execution of the final, definitive agreement with the
300 selected respondent or respondents.

301 (iii) The public body implementing the project shall select for approval the
302 respondent offering the most satisfactory and advantageous contract terms for the
303 project based upon a thorough assessment of any one or more of the following:
304 experience and reputation with similar projects; engineering and design quality; value;
305 projected savings during, before, or after construction; and the ability of the final
306 project's characteristics to meet the goals of the sponsoring local government,
307 consistent with applicable plans and programs. The fair market value of any property
308 included as a part of the procurement may be based on the consideration of the above
309 factors, but it shall not be less than the initial cost to obtain the property. Before
310 making such selection, the designated representative shall consult in an open and
311 public meeting subject to the provisions of Chapter 14 of Title 50 with the
312 representatives of any participating local governing authority, participating local
313 authority, participating state agency, department, or authority, and affected local
314 government. Notwithstanding the foregoing, if the terms and conditions for multiple
315 awards are included in the request, the implementing public body may award
316 contracts to more than one respondent. Should the implementing public body
317 determine in writing that only one respondent is fully qualified, or that one respondent
318 is clearly more highly qualified and suitable than the other respondents under
319 consideration, a contract may be negotiated and awarded to that respondent.

320 (iv) Upon approval of the selection by the implementing public body, a contract or
 321 contracts not exceeding 50 years in duration may be entered into by the urban
 322 redevelopment agency or any one or more of the participating public bodies and the
 323 selected respondent or respondents. The private financial information provided by the
 324 respondents shall remain exempt from Code Section 50-18-72 during and after the
 325 conclusion of the related selection process.

326 (D) A dispute over the award of a contract under this chapter shall be resolved by the
 327 filing of a petition in the superior court of the county in which the sponsoring local
 328 government is located within 30 days of the awarding of such contract and shall be
 329 determined through the use of a special master appointed by the judge of the superior
 330 court of the county in which the sponsoring local government is located. The special
 331 master shall not be authorized to enjoin or otherwise delay or suspend the execution of
 332 the contract and any work to be performed under such contract. The decision of the
 333 special master with regard to such dispute shall be appealable for a de novo review to
 334 the superior court of the county in which the sponsoring local government is located
 335 within 30 days following the decision of the special master.

336 (E) Nothing in this chapter shall require the designated representatives, the sponsoring
 337 local government, the implementing public body, or any participating public body to
 338 continue negotiations or discussions arising out of any request or any other procurement
 339 initiated under the provisions of this Code section.

340 (F) Every public body shall be authorized to promulgate reasonable rules and
 341 regulations to assist in its evaluation of responses and to implement the purposes of this
 342 chapter; provided, however, that unsolicited proposals shall not be permitted;

343 (4) No public officer, employee, or member of any participating public body, with
 344 respect to contracts of such public body, or the General Assembly shall serve as an agent,
 345 lobbyist, or board member for any private entity directly or indirectly under a contract or
 346 negotiating a contract provided for by this chapter for three years after leaving his or her
 347 position as a public officer, employee, or member of the public body or the General
 348 Assembly; and

349 (5) Contracts entered into with a private enterprise in respect to the design, construction,
 350 operation, financing, or management of the public components of a surface transportation
 351 project shall not constitute the acquisition of property for a private use, nor shall such
 352 contracts be deemed a sale, lease, or other disposition of the related interests in property
 353 under any provisions of this chapter or other provision of applicable law, and such public
 354 components of a surface transportation project shall be deemed a public use for all
 355 purposes under applicable provisions of law, including, without limitation, Code Sections
 356 36-61-9 and 36-61-10."

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SECTION 4.

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Said chapter is further amended by revising Code Section 36-61-5, relating to resolution of necessity as prerequisite to exercise of powers, as follows:

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"36-61-5.

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No municipality or county shall exercise any of the powers conferred upon municipalities and counties by this chapter until after its local governing body has adopted a resolution finding that:

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(1) One or more ~~slum areas~~ pockets of blight exist in such municipality or county; and

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(2) The rehabilitation, conservation, or redevelopment, or a combination thereof, of such area or areas is necessary in the interest of the public health, safety, morals, or welfare

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of the residents of the municipality or county."

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SECTION 5.

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Said chapter is further amended by revising Code Section 36-61-6, relating to formulation of a workable program for urban redevelopment, as follows:

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"36-61-6.

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For the purposes of this chapter, a municipality or county may formulate a workable

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program for utilizing appropriate private and public resources including those specified in

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Code Section 36-61-11, to eliminate and prevent the development or spread of ~~slums~~

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pockets of blight, to encourage needed urban rehabilitation, to provide for the

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redevelopment of ~~slum areas~~ pockets of blight, or to undertake such of the aforesaid

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activities or such other feasible municipal or county activities as may be suitably employed

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to achieve the objectives of such workable program. Such workable program may include,

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without limitation, provision for the prevention of the spread of ~~slums~~ pockets of blight into

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areas of the municipality or county which are free from ~~slums~~ pockets of blight, through

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diligent enforcement of housing, zoning, and occupancy controls and standards; the

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rehabilitation or conservation of ~~slum areas~~ pockets of blight or portions thereof by

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replanting, removing congestion, providing parks, playgrounds, and other public

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improvements, including without limitation surface transportation projects, encouraging

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voluntary rehabilitation, and compelling the repair and rehabilitation of deteriorated or

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deteriorating structures; and the clearance and redevelopment of ~~slum areas~~ pockets of

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blight or portions thereof."

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SECTION 6.

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Said chapter is further amended by revising Code Section 36-61-7, relating to preparation of redevelopment plan, approval, modification, and effect of approval, as follows:

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391 "36-61-7.

392 (a) A municipality or county shall not approve an urban redevelopment plan for an urban
393 redevelopment area unless the governing body, by resolution, has determined such area to
394 be a ~~slum area~~ pocket of blight and designated such area as appropriate for an urban
395 redevelopment project. Authority is vested in every municipality and county to prepare,
396 to adopt, and to revise, from time to time, a general plan for the physical development of
397 the municipality or county as a whole (giving due regard to the environs and metropolitan
398 surroundings), to establish and maintain a planning commission for such purpose and
399 related municipal and county planning activities, and to make available and to appropriate
400 the necessary funds therefor. A municipality or county shall not acquire real property for
401 an urban redevelopment project unless the local governing body has approved the urban
402 redevelopment plan in accordance with subsection (d) of this Code section.

403 (b) The municipality or county may itself prepare or cause to be prepared an urban
404 redevelopment plan; alternatively, any person or agency, public or private, may submit a
405 plan to a municipality or county.

406 (c) The local governing body of the municipality or county shall hold or shall cause some
407 agency of the municipality or county to hold a public hearing on an urban redevelopment
408 plan or a substantial modification of an approved urban redevelopment plan, after public
409 notice thereof by publication in a newspaper having a general circulation in the area of
410 operation of the municipality or county. The notice shall describe the time, date, place, and
411 purpose of the hearing, shall generally identify the urban redevelopment area covered by
412 the plan, and shall outline the general scope of the urban redevelopment project under
413 consideration.

414 (d) Following such hearing, the local governing body may approve an urban
415 redevelopment plan if it finds that:

416 (1) A feasible method exists for the relocation of families who will be displaced from the
417 urban redevelopment area in decent, safe, and sanitary dwelling accommodations within
418 their means and without undue hardship to such families;

419 (2) The urban redevelopment plan conforms to the general plan of the municipality or
420 county as a whole; and

421 (3) The urban redevelopment plan will afford maximum opportunity, consistent with the
422 sound needs of the municipality or county as a whole, for the rehabilitation or
423 redevelopment of the urban redevelopment area by private enterprise.

424 (e) An urban redevelopment plan may be modified at any time, provided that, if modified
425 after the lease or sale by the municipality or county of real property in the urban
426 redevelopment project area, such modification shall be subject to such rights at law or in
427 equity as a lessee or purchaser or his or her successor or successors in interest may be

428 entitled to assert. Any proposed modification which will substantially change the urban
 429 redevelopment plan as previously approved by the local governing body shall be subject
 430 to the requirements of this Code section, including the requirement of a public hearing,
 431 before it may be approved.

432 (f) Upon the approval of an urban redevelopment plan by a municipality or county, the
 433 provisions of the plan with respect to the future use and building requirements applicable
 434 to the property covered by the plan shall be controlling with respect thereto."

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SECTION 7.

436 Said chapter is further amended by revising paragraphs (1), (6), and (9) of Code
 437 Section 36-61-8, relating to powers of municipalities and counties generally, as follows:

438 "(1) To undertake and carry out urban redevelopment projects within its area of
 439 operation; to make and execute contracts and other instruments necessary or convenient
 440 to the exercise of its powers under this chapter; and to disseminate ~~slum~~ pocket of blight
 441 clearance and urban redevelopment information;"

442 "(6) Within their area of operation, to make or have made all plans necessary to the
 443 carrying out of the purposes of this chapter and to contract with any person, public or
 444 private, in making and carrying out such plans and to adopt or approve, modify, and
 445 amend such plans. Such plans may include, without limitation:

446 (A) A general plan for the locality as a whole;

447 (B) Urban redevelopment plans;

448 (C) Plans for carrying out a program of voluntary or compulsory repair and
 449 rehabilitation of buildings and improvements, to include but not to be limited to making
 450 loans and grants from funds received from the federal government, as well as from
 451 funds received from the repayment of such loans and interest thereon, to persons, public
 452 or private, owning private housing for the purpose of financing the rehabilitation of
 453 such housing;

454 (D) Plans for the enforcement of state and local laws, codes, and regulations relating
 455 to the use of land and the use and occupancy of buildings and improvements and to the
 456 compulsory repair, rehabilitation, demolition, or removal of buildings and
 457 improvements; and

458 (E) Appraisals, title searches, surveys, studies, and other preliminary plans and work
 459 necessary to prepare for the undertaking of urban redevelopment projects.

460 The municipality or county is authorized to develop, test, and report methods and
 461 techniques and to carry out demonstrations and other activities for the prevention and
 462 elimination of ~~slums~~ pockets of blight and to apply for, accept, and utilize grants of funds
 463 from the federal government for such purposes;"

464 "(9) Within their areas of operation, to organize, coordinate, and direct the administration
 465 of the provisions of this chapter as they apply to such municipality or county, in order
 466 that the objective of remedying ~~slums~~ pockets of blight and preventing the causes thereof
 467 within the municipality or county may be most effectively promoted and achieved, and
 468 to establish such new office or offices of the municipality or county or to reorganize
 469 existing offices in order to carry out such purpose most effectively; and"

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SECTION 8.

471 Said chapter is further amended by revising subsection (a) and paragraph (1) of subsection
 472 (b) of Code Section 36-61-10, relating to disposal of property in redevelopment area
 473 generally, notice and bidding procedures, exchange with veterans' organization, and
 474 temporary operation of property, as follows:

475 "(a) A municipality or county may sell, lease, or otherwise transfer real property in an
 476 urban redevelopment area or any interest therein acquired by it and may enter into contracts
 477 with respect thereto, for residential, recreational, commercial, industrial, or other uses or
 478 for public use; or the municipality or county may retain such property or interest for public
 479 use, in accordance with the urban redevelopment plan, subject to such covenants,
 480 conditions, and restrictions, including covenants running with the land and including the
 481 incorporation by reference therein of the provisions of an urban redevelopment plan or any
 482 part thereof, as it may deem to be in the public interest or necessary or desirable to assist
 483 in preventing the development or spread of future ~~slums~~ pockets of blight or to otherwise
 484 carry out the purposes of this chapter. Such sale, lease, other transfer, or retention and any
 485 agreement relating thereto may be made only after the approval of the urban redevelopment
 486 plan by the local governing body. The purchasers or lessees and their successors and
 487 assigns shall be obligated to devote such real property only to the uses specified in the
 488 urban redevelopment plan and may be obligated to comply with such other requirements
 489 as the municipality or county may determine to be in the public interest, including the
 490 obligation to begin within a reasonable time any improvements on the real property
 491 required by the urban redevelopment plan. Such real property or interest shall be sold,
 492 leased, otherwise transferred, or retained at not less than its fair value for uses in
 493 accordance with the urban redevelopment plan. In determining the fair value of real
 494 property for uses in accordance with the urban redevelopment plan, a municipality or
 495 county shall take into account and give consideration to the uses provided in such plan; the
 496 restrictions upon and the covenants, conditions, and obligations assumed by the purchaser
 497 or lessee or by the municipality or county retaining the property; and the objectives of such
 498 plan for the prevention of the recurrence of ~~slum areas~~ pockets of blight. The municipality
 499 or county in any instrument of conveyance to a private purchaser or lessee may provide that

500 such purchaser or lessee shall be without power to sell, lease, or otherwise transfer the real
501 property without the prior written consent of the municipality or county until he or she has
502 completed the construction of any and all improvements which he or she has obligated
503 himself or herself to construct thereon. Real property acquired by a municipality or county
504 which, in accordance with the provisions of the urban redevelopment plan, is to be
505 transferred shall be transferred as rapidly as feasible in the public interest consistent with
506 the carrying out of the provisions of the urban redevelopment plan. The inclusion in any
507 such contract or conveyance to a purchaser or lessee of any such covenants, restrictions,
508 or conditions, including the incorporation by reference therein of the provisions of an urban
509 redevelopment plan or any part thereof, shall not prevent the filing of the contract or
510 conveyance in the land records of the county in such manner as to afford actual or
511 constructive notice thereof.

512 (b)(1) A municipality or county may dispose of real property in an urban redevelopment
513 area to private persons only under such reasonable competitive bidding procedures as it
514 shall prescribe, ~~or as are provided in this subsection~~ or, solely with respect to and for the
515 benefit of advancing surface transportation projects, as provided in Code Section 36-61-4.

516 A municipality or county, by public notice by publication once each week for two
517 consecutive weeks in a newspaper having a general circulation in the community, prior
518 to the execution of any contract to sell, lease, or otherwise transfer real property and prior
519 to the delivery of any instrument of conveyance with respect thereto under this Code
520 section, may invite proposals from and make available all pertinent information to private
521 redevelopers or any persons interested in undertaking to redevelop or rehabilitate an
522 urban redevelopment area or any part thereof. The notice shall identify the area or
523 portion thereof and shall state that such further information as is available may be
524 obtained at such office as shall be designated in the notice. The municipality or county
525 shall consider all such redevelopment or rehabilitation proposals and the financial and
526 legal ability of the persons making such proposals to carry them out and may negotiate
527 with any persons for proposals for the purchase, lease, or other transfer of any real
528 property acquired by the municipality or county in the urban redevelopment area. The
529 municipality or county may accept such proposal as it deems to be in the public interest
530 and in furtherance of the purposes of this chapter. The municipality or county may
531 execute contracts in accordance with subsection (a) of this Code section and deliver
532 deeds, leases, and other instruments and take all steps necessary to effectuate such
533 contracts."

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SECTION 9.

Said chapter is further amended by revising Code Section 36-61-12, relating to the issuance of bonds for urban redevelopment projects, as follows:

"36-61-12.

(a) A municipality or county shall have power to issue bonds, in its discretion, from time to time, to finance the undertaking of any urban redevelopment project under this chapter, including, without limiting the generality thereof, the payment of principal and interest upon any advances for surveys and plans for urban redevelopment projects and shall also have power to issue refunding bonds for the payment of retirement of such bonds previously issued by it. Such bonds shall be made payable, as to both principal and interest, solely from the income, proceeds, revenues, and funds of the municipality or county derived from or held in connection with its undertaking and carrying out of urban redevelopment projects under this chapter; provided, however, that payment of such bonds, both as to principal and interest, may be further secured by a pledge of any loan, grant, or contribution from the federal government or other source, in aid of any urban redevelopment projects of the municipality or county under this chapter, and by a mortgage of any such urban redevelopment projects or any part thereof, title to which is in the municipality or county, or redevelopment agency.

(b) Bonds issued under this Code section shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction and shall not be subject to the provisions of any other law or charter relating to the authorization, issuance, or sale of bonds. Bonds issued under this chapter are declared to be issued for an essential public and governmental purpose and, together with interest thereon and income therefrom, shall be exempted from all taxes.

(c) Bonds issued under this Code section shall be authorized by resolution or ordinance of the local governing body. They may be issued in one or more series and shall bear such date or dates, be payable upon demand or mature at such time or times, bear interest at such rate or rates, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, be subject to such terms of redemption (with or without premium), be secured in such manner, and have such other characteristics as may be provided by the resolution of the local governing body or by the trust indenture or mortgage issued pursuant thereto.

~~(d) Such bonds may be sold at not less than par at public sales held after notice published prior to such sales in a newspaper having a general circulation in the area of operation and in such other medium of publication as the municipality or county may determine or may be exchanged for other bonds on the basis of par. Such bonds may be sold to the federal~~

571 ~~government or to an institution insured by an agency of the federal government at private~~
 572 ~~sale at not less than par and, in the event that less than all of the authorized principal~~
 573 ~~amount of such bonds is sold to the federal government or to an institution insured by an~~
 574 ~~agency of the federal government, the balance may be sold at private sale at not less than~~
 575 ~~par at an interest cost to the municipality or county, such cost not to exceed the interest cost~~
 576 ~~to the municipality or county of the portion of the bonds sold to the federal government or~~
 577 ~~to an institution insured by an agency of the federal government. All revenue bonds, not~~
 578 ~~including notes and other obligations, issued under this Code section shall be issued and~~
 579 ~~validated under and in accordance with the procedure set forth in Article 3 of Chapter 82~~
 580 ~~of this title. The provisions of any resolution or ordinance authorizing the issuance of~~
 581 ~~bonds under this Code section shall be a contract with every holder of such bonds and~~
 582 ~~enforceable by any bondholder by mandamus or other appropriate action or proceeding at~~
 583 ~~law or in equity.~~

584 (e) If any of the public officials of the municipality or county whose signatures appear on
 585 any bonds or coupons issued under this chapter cease to be such officials before the
 586 delivery of the bonds, such signatures, nevertheless, shall be valid and sufficient for all
 587 purposes, the same as if the officials had remained in office until the delivery. Any
 588 provision of any law to the contrary notwithstanding, any bonds issued pursuant to this
 589 chapter shall be fully negotiable.

590 (f) In any suit, action, or proceeding involving the validity or enforceability of any bond
 591 issued under this chapter or the security therefor, any such bond reciting in substance that
 592 it has been issued by the municipality or county in connection with an urban redevelopment
 593 project, as defined in paragraph ~~(22)~~(24) of Code Section 36-61-2, shall be conclusively
 594 deemed to have been issued for such purpose and such project shall be conclusively
 595 deemed to have been planned, located, and carried out in accordance with this chapter.

596 (g) Any urban redevelopment agency or housing authority which a municipality or county
 597 has elected to exercise powers under Code Section 36-61-17 may also issue bonds, as
 598 provided in this Code section, in the same manner as a municipality or county, except that
 599 such bonds shall be authorized and the terms and conditions thereof shall be prescribed by
 600 the commissioners of such urban redevelopment agency or housing authority in lieu of the
 601 local governing body."

602 **SECTION 10.**

603 Said chapter is further amended by revising subsection (b) of Code Section 36-61-14, related
 604 to property exempt from taxes and from levy and sale by virtue of an execution, as follows:

605 "(b) The property of a municipality, ~~or~~ county, or any other public body, acquired or held
 606 for the purpose of this chapter, is declared to be public property used for essential public

607 and governmental purposes and such property shall be exempt from all taxes of the
 608 municipality, the county, the state, or any political subdivision thereof. Such tax exemption
 609 shall terminate when the municipality or county sells, leases, or otherwise disposes of
 610 property in an urban redevelopment area to a purchaser or lessee who or which is not a
 611 public body."

612 SECTION 11.

613 Said chapter is further amended by revising subsection (a) of Code Section 36-61-16, relating
 614 to cooperation by public bodies, as follows:

615 "(a) For the purpose of aiding in the planning, undertaking, or carrying out of an urban
 616 redevelopment project located within the area in which it is authorized to act, any public
 617 body, upon such terms, with or without consideration, as it may determine, may:

618 (1) Dedicate, sell, convey, or lease any of its interest in any property or grant easements,
 619 licenses, or other rights or privileges therein to a municipality or county;

620 (2) Incur the entire expense of any public improvements made by such public body in
 621 exercising the powers granted in this Code section;

622 (3) Do any and all things necessary to aid or cooperate in the planning or carrying out
 623 of an urban redevelopment plan;

624 (4) Lend, grant, or contribute funds to a municipality or county;

625 (5) Enter into agreements (which may extend over any period, notwithstanding any
 626 provision or rule of law to the contrary) with a municipality or county or other public
 627 body respecting action to be taken pursuant to any of the powers granted by this chapter,
 628 including the furnishing of funds or other assistance in connection with an urban
 629 redevelopment project and other provisions allocating legal responsibility for matters
 630 arising under or in connection with transactions entered into pursuant to Code Section
 631 36-61-4; and

632 (6) Cause public buildings and public facilities, including parks, trails, greenspace,
 633 playgrounds, recreational, community, education, transit, water, sewer, or drainage
 634 facilities, or any other works which it is otherwise empowered to undertake, to be
 635 furnished; furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or replan
 636 streets, roads, sidewalks, ways, or other places; plan, replan, zone, or rezone any part of
 637 the public body or make exceptions from building regulations; and cause administrative
 638 and other services to be furnished to the municipality or county.

639 If at any time title to or possession of any urban redevelopment project is held by any
 640 public body or governmental agency, other than the municipality or county, which is
 641 authorized by law to engage in the undertaking, carrying out, or administration of urban
 642 redevelopment projects, including any agency or instrumentality of the United States of

643 America, the provisions of the agreements referred to in this subsection shall inure to the
 644 benefit of and may be enforced by such public body or governmental agency. As used in
 645 this subsection, the terms 'municipality' and 'county' shall also include an urban
 646 redevelopment agency or a housing authority vested with all of the urban redevelopment
 647 project powers pursuant to Code Section 36-61-17."

648 SECTION 12.

649 Said chapter is further amended by revising subsection (b) of Code Section 36-61-17, relating
 650 to exercise of redevelopment powers by municipalities and counties and delegation to
 651 redevelopment agency or housing authority, as follows:

652 "(b) As used in this Code section, the term 'urban redevelopment project powers' shall
 653 include all of the rights, powers, functions, duties, privileges, immunities, and exemptions
 654 granted to a municipality or county under this chapter, except the following:

- 655 (1) The power to determine an area to be a ~~slum area~~ pocket of blight and to designate
 656 such area as appropriate for an urban redevelopment project;
- 657 (2) The power to approve and amend urban redevelopment plans;
- 658 (3) The power to establish a general plan for the locality as a whole;
- 659 (4) The power to formulate a workable program under Code Section 36-61-6;
- 660 (5) The powers, duties, and functions referred to in Code Section 36-61-11;
- 661 (6) The power to make the determinations and findings provided for in Code
 662 Section 36-61-4, Code Section 36-61-5, and subsection (d) of Code Section 36-61-7;
- 663 (7) The power to issue general obligation bonds; and
- 664 (8) The power to appropriate funds, to levy taxes and assessments, and to exercise other
 665 powers provided for in paragraph (8) of Code Section 36-61-8."

666 SECTION 13.

667 Chapter 33 of Title 36 of the Official Code of Georgia Annotated, relating to liability of
 668 municipal corporations for acts or omissions, is amended by revising Code Section 36-33-1,
 669 relating to immunity from liability for damages, waiver of immunity by purchase of liability
 670 insurance, and liability for acts or omissions generally, as follows:

671 "36-33-1.

672 (a) Pursuant to Article I, Section II, Paragraph IX and Article IX, Section II, Paragraph IX
 673 of the Constitution of the State of Georgia, the General Assembly, except as provided in
 674 this Code section and in Chapter 92 of this title, declares it is the public policy of the State
 675 of Georgia that there is no waiver of the sovereign immunity of municipal corporations of
 676 the state, and such municipal corporations shall be immune from liability for damages to
 677 the same extent that counties are immune. A municipal corporation shall not waive its

678 immunity by the purchase of liability insurance, except as provided in Code Section
679 33-24-51 or 36-92-2, or unless the policy of insurance issued covers an occurrence for
680 which the defense of sovereign immunity is available, and then only to the extent of the
681 limits of such insurance policy. ~~This subsection shall not be construed to affect any~~
682 ~~litigation pending on July 1, 1986.~~

683 (b) Municipal corporations shall not be liable for failure to perform or for errors in
684 performing their legislative or judicial powers. For neglect to perform or improper or
685 unskillful performance of their ministerial duties, they shall be liable to the same extent that
686 counties are liable, and they shall be immune to the same extent that counties are immune."

687 **SECTION 14.**

688 This Act shall become effective on July 1, 2014, and shall apply only to causes of action
689 arising on or after that date.

690 **SECTION 15.**

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