

House Bill 696 (AS PASSED HOUSE AND SENATE)

By: Representatives Jones of the 25th, Tanner of the 9th, Morris of the 26th, Cantrell of the 22nd, and Gilligan of the 24th

A BILL TO BE ENTITLED
AN ACT

1 To provide for the creation of one or more community improvement districts in Forsyth
2 County; to provide for a short title; to provide for the purpose of such districts; to provide for
3 definitions; to provide for boards to administer such districts; to provide for effectiveness of
4 previously issued written consents; to provide for appointment and election of members of
5 such boards; to provide for taxes, fees, and assessments; to provide for the boundaries of
6 such districts; to provide procedures for determining the specifications for projects to be
7 undertaken by the district and the manner of levying taxes, fees, and assessments with respect
8 thereto; to provide for the debt of such districts; to provide for cooperation with local
9 governments; to provide for powers of such boards; to provide for general obligation bonds,
10 notes, and other obligations of such districts; to provide for the form of bonds, provisions for
11 exchange and transfer, certificates of validation, and specification of interest rates; to provide
12 for definition of the terms "cost of the project" and "cost of any project" as used in bond
13 resolutions and elsewhere; to provide for authorized contents of agreements and instruments
14 of the boards generally; to provide for use of proceeds of sale of bonds, notes, and other
15 obligations; to provide for subsequent issues thereof; to provide for construction; to provide
16 that no notice, proceeding, publication, or referendum shall be required; to provide for
17 procedures connected with all of the foregoing; to provide for the dissolution and reactivation
18 of districts under certain conditions; to provide for related matters; to repeal conflicting laws;
19 and for other purposes.

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

21 **SECTION 1.**

22 Short title.

23 This Act shall be known and may be cited as the "Forsyth County Community Improvement
24 Districts Act."

25 **SECTION 2.**

26 Purpose.

27 The purpose of this Act shall be to provide for the creation of one or more community
 28 improvement districts within Forsyth County, and each such district shall be created for the
 29 provision of the following governmental services and facilities as may be provided for in the
 30 resolution activating such district created hereby. Such services and facilities shall be one
 31 or more of:

- 32 (1) Street and road construction and maintenance, including curbs, sidewalks, street
 33 lights, and devices to control the flow of traffic on streets and roads;
 34 (2) Parks and recreational areas and facilities;
 35 (3) Storm-water and sewage collection and disposal systems;
 36 (4) Development, storage, treatment, purification, and distribution of water;
 37 (5) Public transportation;
 38 (6) Terminal and dock facilities and parking facilities; or
 39 (7) Such other services and facilities as may be provided for by general law.

40 **SECTION 3.**

41 Definitions.

42 As used in this Act, the term:

- 43 (1) "Agricultural" means the growing of crops for sale or raising of animals for sale or
 44 use, including the growing of field crops and fruit or nut trees, the raising of livestock or
 45 poultry, and the operation of dairies, horse boarding facilities, and riding stables.
 46 (2) "Board" means the governing authority created for the governance of each
 47 community improvement district authorized by this Act.
 48 (3) "Bonds" or "general obligation bonds" means any bonds of a district which are
 49 authorized to be issued under the Constitution and laws of Georgia, including refunding
 50 bonds but not including notes or other obligations of a district.
 51 (4) "Caucus of electors" means, for a district, the meeting of electors provided for in this
 52 Act at which board members of the district are elected.
 53 (5) "Cost of the project" or "cost of any project" means and includes:
 54 (A) All costs of acquisition by purchase or otherwise, construction, assembly,
 55 installation, modification, renovation, or rehabilitation incurred in connection with any
 56 project or any part of any project;
 57 (B) All costs of real property, fixtures, or personal property used in or in connection
 58 with or necessary for any project or for any facilities related thereto, including, but not

59 limited to, the cost of all land, estates for years, easements, rights, improvements, water
60 rights, connections for utility services, fees, franchises, permits, approvals, licenses, and
61 certificates; the cost of securing any such franchises, permits, approvals, licenses, or
62 certificates; and the cost of preparation of any application therefor and the cost of all
63 fixtures; machinery; equipment, including all transportation equipment and rolling
64 stock; furniture; and other property used in or in connection with or necessary for any
65 project;

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

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

73 (E) All expenses for inspection of any project;

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

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

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

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

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

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

88 (L) The establishment of a fund or funds for the creation of a debt service reserve, a
89 renewal and replacement reserve, or such other funds or reserves as the board may
90 approve with respect to the financing and operation of any project and as may be
91 authorized by any bond resolution, trust agreement, indenture of trust, or similar
92 instrument or agreement pursuant to the provisions of which the issuance of any bonds,
93 notes, or other obligations of the district may be authorized; and

94 (M) Any cost, obligation, or expense incurred for any of the foregoing purposes.

95 (6) "District" means the geographical area designated as such by the resolution of the
96 governing authority of Forsyth County consenting to the creation of the community
97 improvement district or as thereafter modified pursuant to subsection (b) of Section 7 of
98 this Act.

99 (7) "Electors" means the owners of real property used nonresidentially within the district
100 which is then subject to taxes, fees, and assessments levied by the board, as they appear
101 on the most recent ad valorem real property tax return records of Forsyth County, or one
102 officer or director of a corporate elector, one trustee of a trust which is an elector, one
103 partner of a partnership elector, or one designated representative of an elector whose
104 designation is made in writing. An owner of property subject to taxes, fees, or
105 assessments levied by the board shall have one vote for an election based on numerical
106 majority. An owner of multiple parcels has one vote, not one vote per parcel, for an
107 election based on numerical majority. Multiple owners of one parcel have one vote for
108 an election based on numerical majority.

109 (8) "Equitably apportioned among the properties subject to such taxes, fees, and
110 assessments according to the need for governmental services and facilities created by the
111 degree of density of development of each such property," with reference to taxes, fees,
112 and assessments levied by the board, means that the burden of the taxes, fees, and
113 assessments shall be apportioned among the properties subject thereto based upon the
114 values established in the most recent ad valorem tax reassessment of such properties
115 certified by the chairperson of the Forsyth County Board of Tax Assessors or may be
116 apportioned among the properties subject thereto in direct or approximate proportion to
117 the receipt of services or benefits derived from the improvements or other activities for
118 which the taxes, fees, or assessments are to be expended or may be apportioned in any
119 other manner or combination of manners deemed equitable by the board, including, but
120 not limited to, the recognition of differential benefits which may reasonably be expected
121 to accrue to new land development in contrast to lands and improvements already in
122 existence at the time of creation of the community improvement district.

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

128 (10) "Majority" means 50 percent or more of the total number of individuals composing
129 the group or classification at issue.

130 (11) "Project" means the acquisition, construction, installation, modification, renovation,
131 rehabilitation, or operation of land; interests in land, buildings, structures, facilities, or

132 other improvements located or to be located within or otherwise providing service to the
 133 district; and the acquisition, installation, modification, renovation, rehabilitation, or
 134 furnishing of fixtures, machinery, equipment, furniture, or other property of any nature
 135 whatsoever used on, in, or in connection with any such land, interest in land, building,
 136 structure, facility, or other improvement, for all essential public purposes set forth in
 137 Section 2 of this Act.

138 (12) "Property owner" or "owner of real property" means any entity or person shown as
 139 a taxpayer for one or more parcels of real estate on the most recent ad valorem tax
 140 records of Forsyth County within the district. Ownership as shown by the most recent
 141 ad valorem tax records of Forsyth County shall serve as prima-facie proof of ownership.
 142 Multiple owners of one parcel shall constitute one property owner and shall designate in
 143 writing one of their number to represent the whole.

144 (13) "Property used nonresidentially" means property or any portion thereof used for
 145 neighborhood shopping, planned shopping centers, general commercial, transient lodging
 146 facilities, tourist services, office or institutional, office services, light industry, heavy
 147 industry, central business district, parking, or other commercial or business use, as well
 148 as vacant land zoned or approved for any of the uses listed in this paragraph which does
 149 not include residential.

150 (14) "Residential" means a specific work or improvement undertaken primarily to
 151 provide single-family or multifamily dwelling accommodations for persons and families
 152 and such community facilities as may be incidental or appurtenant thereto.

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

157 **SECTION 4.**

158 **Creation.**

159 (a) Pursuant to Article IX, Section VII of the Constitution of the State of Georgia, there are
 160 created one or more community improvement districts to be located in Forsyth County in the
 161 unincorporated area thereof, each of which shall be activated upon compliance with the
 162 conditions provided in this Act and which shall be governed by a board as constituted
 163 pursuant to this Act. The conditions for such activation shall be:

164 (1) The adoption of a resolution consenting to the creation of each community
 165 improvement district by the governing authority of Forsyth County; and

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

- 167 (A) A majority of the owners of real property within the district which will be subject
 168 to taxes, fees, and assessments levied by the board of the district; and
- 169 (B) The owners of real property within the district which constitutes at least 75 percent
 170 by value of all real property within the district which will be subject to taxes, fees, and
 171 assessments levied by the board. For this purpose, value shall be determined by the
 172 most recent approved county ad valorem tax digest.
- 173 (b) The written consents provided for in paragraph (2) of subsection (a) of this section shall
 174 be submitted to the Forsyth County tax commissioner, who shall certify whether
 175 paragraph (2) of subsection (a) of this section has been satisfied with respect to each such
 176 proposed district.
- 177 (c) No district or board created under this Act shall transact any business or exercise any
 178 powers under this Act until the foregoing conditions of this section are met. A copy of such
 179 resolutions shall be filed with the Secretary of State, who shall maintain a record of all
 180 districts activated under this Act, and a second copy shall be filed with the Department of
 181 Community Affairs.
- 182 (d) Any written consents executed by owners of real property located within the district
 183 created by that Act approved April 10, 2014 (Ga. L. 2014, p. 3663) seeking to create a
 184 community improvement district pursuant to said prior Act shall be effective for all purposes
 185 hereunder regarding any district proposed for Forsyth County under this Act sharing the
 186 same or substantially the same territory as described in said prior Act, and the county tax
 187 commissioner may consider such previously issued written consents when fulfilling his or
 188 her obligations as set forth in this Act.

189 SECTION 5.

190 Administration, appointment, and election of board members.

- 191 (a)(1) Each district created pursuant to this Act shall be administered by a board
 192 composed of five members as follows:
- 193 (A) A person appointed by the chairperson of the governing authority of Forsyth
 194 County, who shall serve on Post 1;
- 195 (B) A person appointed by a majority vote of the Forsyth County legislative delegation
 196 to the General Assembly, which legislative delegation shall be composed of all
 197 Representatives and Senators in the Georgia General Assembly whose districts are
 198 located wholly or partially in Forsyth County, who shall serve on Post 2; and
- 199 (C) Three electors elected by a majority vote of the electors who shall serve on Posts 3,
 200 4, and 5. The initial term of office for the member serving on Post 3 shall be one year,
 201 and the initial terms of office of the members serving on Posts 4 and 5 shall be two

202 years. Thereafter, the terms of the members serving on Posts 3, 4, and 5 shall be two
203 years.

204 (2) Members appointed by elected officials to Posts 1 or 2 shall serve at the pleasure of
205 the chairperson and the members of the governing authority concurrent with their terms,
206 respectively. Should such a member cease to be an elector, such member's position on
207 the board shall immediately become vacant and be filled for the remainder of the
208 respective term as provided for the initial appointment in this subsection.

209 (b) The initial board members to be elected by the electors as provided in subsection (a) of
210 this section shall be elected in a caucus of electors, which shall be held within 90 days after
211 the adoption of the resolutions and obtaining of the written consents provided for in this Act
212 at such time and place within the district as the governing authority of Forsyth County shall
213 designate after notice thereof shall have been given to said electors by publishing notice in
214 the legal organ of Forsyth County at least once each week for four weeks prior to such
215 meeting. A quorum at such caucus shall consist of those electors present, and a majority of
216 those present and voting is necessary to elect board members. No proxy votes may be cast.
217 The chairperson of the governing authority of Forsyth County or such chairperson's designee
218 shall convene the initial caucus of electors. Thereafter, there shall be conducted annually,
219 not later than 60 days following the last day for filing ad valorem real property tax returns
220 in Forsyth County, a caucus of such electors, as appropriate, at such time and place within
221 the district as the board shall designate in such notice for the purpose of electing board
222 members to Posts 3, 4, and 5, for those positions which have terms expiring or are vacant,
223 as appropriate. If a vacancy occurs in an elected position on the board, the board shall,
224 within 60 days thereafter, call a special election to fill the same to be held within 60 days of
225 the call unless such vacancy occurs within 180 days of the next regularly scheduled election,
226 in which case a special election may, but need not, be called.

227 (c) The elected board members shall be subject to recall by the electors as any other elected
228 public official.

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

234 (e) Chapter 2 of Title 21 of the O.C.G.A., the "Georgia Election Code," shall not apply to
235 the election of district board members. Any district board may adopt such bylaws not
236 inconsistent herewith to provide for any matter concerning such elections.

237

SECTION 6.

238

Taxes, fees, and assessments.

239 (a) The board may levy taxes, fees, and assessments within the district only on real property
240 used nonresidentially, specifically excluding all property exempt from ad valorem taxation
241 under the Constitution or laws of the State of Georgia; all property used for residential,
242 agricultural, or forestry purposes; and all tangible personal property and intangible property.
243 Any tax, fee, or assessment so levied shall not exceed five mills on the aggregate assessed
244 value of all such real property. The taxes, fees, and assessments levied by the board shall be
245 equitably apportioned among the properties subject to such taxes, fees, and assessments
246 according to the need for governmental services and facilities created by the degree of
247 density of development of each such property. The proceeds of taxes, fees, and assessments
248 levied by the board shall be used only for the purpose of providing governmental services
249 and facilities which are specially required by the degree of density of development within the
250 applicable district and not for the purpose of providing those governmental services and
251 facilities provided to the county as a whole. Any tax, fee, or assessment so levied shall be
252 collected by Forsyth County in the same manner as taxes, fees, and assessments are levied
253 by the county. Delinquent taxes shall bear the same interest and penalties as Forsyth County
254 ad valorem taxes and may be enforced and collected in the same manner. The proceeds of
255 taxes, fees, and assessments so levied, less a fee to cover the costs of collection of 1 percent
256 thereof, but not more than \$25,000.00 in any one calendar year, shall be transmitted by
257 Forsyth County to the board and shall be expended by the board only for the purposes
258 authorized by this Act.

259 (b) The board shall levy the taxes, fees, and assessments provided for in subsection (a) of
260 this section subsequent to the report of the assessed taxable values for the current calendar
261 year and shall notify in writing the collecting governing authority so it may include the levy
262 on its regular ad valorem tax bills. The proceeds of taxes, fees, and assessments so levied,
263 less the fee to cover the costs of collection as specified in subsection (a) of this section, shall
264 be transmitted by the collecting governing authority to the board and shall be expended by
265 the board only for the purposes authorized by this Act.

266 (c) If, but for this provision, a parcel of real property is removed from a district or otherwise
267 would become nontaxable, it shall continue to bear its tax millage, then extant upon such
268 event for bonded indebtedness of the district then outstanding, until the bonded indebtedness
269 then outstanding is paid or refunded.

270 (d) Each property owner paying taxes, fees, or assessments levied by the board for any
271 public facility as set forth in Section 2 of this Act may receive a credit equal to the present
272 value of all such taxes, fees, and assessments toward any impact fee as may be levied by

273 Forsyth County against such property for system improvements which are in the same
 274 category as said public facility in accordance with Chapter 71 of Title 36 of the O.C.G.A.,
 275 the "Georgia Development Impact Fee Act." Application for such development impact fee
 276 credit may be granted by legislative action of the governing authority of Forsyth County in
 277 its discretion.

278 **SECTION 7.**

279 Boundaries of the districts.

280 (a) The boundaries of each district shall be designated by the governing authority of Forsyth
 281 County and shall lie wholly within the incorporated area of Forsyth County as set forth in the
 282 resolutions required by Section 4 of this Act, or as may thereafter be added as provided in
 283 this Act.

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

286 (1) Written consent of a majority of the owners of real property within the area sought
 287 to be annexed into the district and which will be subject to taxes, fees, and assessments
 288 levied by the board of the district is first obtained;

289 (2) Written consent of the owners of real property within the area sought to be annexed
 290 into the district which constitutes at least 75 percent by value of all real property within
 291 the area sought to be annexed into the district which will be subject to taxes, fees, and
 292 assessments levied by the board. For this purpose, value shall be determined by the most
 293 recent approved county ad valorem tax digest;

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

296 (4) The adoption of a resolution consenting to the annexation by the governing authority
 297 of Forsyth County.

298 **SECTION 8.**

299 Debt.

300 Each district may incur debt without regard to the requirements of Article IX, Section V of
 301 the Constitution of Georgia, or any other provision of law prohibiting or restricting the
 302 borrowing of money or the creation of debt by political subdivisions of the State of Georgia,
 303 and the debt shall be backed by the full faith, credit, and taxing power of the district but shall
 304 not be an obligation of the State of Georgia, Forsyth County, or any other unit of government
 305 of the State of Georgia other than the district.

306

SECTION 9.

307

Cooperation with local governments.

308 The services and facilities provided pursuant to this Act shall be provided for in a
 309 cooperation agreement executed jointly by the board and the governing authority of Forsyth
 310 County. The provisions of this section shall in no way limit the authority of Forsyth County
 311 to provide services or facilities within the district; and Forsyth County shall retain full and
 312 complete authority and control over any of its facilities located within its respective areas of
 313 any district. Such control shall include, but not be limited to, the modification of, access to,
 314 and degree and type of services provided through or by facilities of the county. Nothing
 315 contained in this section shall be construed to limit or preempt the application of any
 316 governmental laws, ordinances, resolutions, or regulations to the district or the services or
 317 facilities provided within the district.

318

SECTION 10.

319

Powers.

320 (a) Each district and its board created pursuant to this Act shall have all of the powers
 321 necessary or convenient to carry out and effectuate the purposes and provisions of this Act,
 322 including, without limiting the generality of the foregoing, the power:

323 (1) To bring and defend actions;

324 (2) To adopt and amend a corporate seal;

325 (3) To make and execute contracts, agreements, and other instruments necessary or
 326 convenient to exercise the powers of the board or to further the public purposes for which
 327 the district is created, including, but not limited to, contracts for construction of projects,
 328 leases of projects, contracts for sale of projects, agreements for loans to finance projects,
 329 contracts with respect to the use of projects, and agreements with other jurisdictions or
 330 community improvement districts regarding multijurisdictional projects or services or for
 331 other cooperative endeavors to further the public purposes of the district;

332 (4) To acquire by purchase, lease, or otherwise and to hold, lease, and dispose of real and
 333 personal property of every kind and character, or any interest therein, in furtherance of
 334 the public purposes of the district;

335 (5) To finance by loan, grant, lease, or otherwise and to construct, erect, assemble,
 336 purchase, acquire, own, repair, remodel, renovate, rehabilitate, modify, maintain, extend,
 337 improve, install, sell, equip, expand, add to, operate, or manage projects and to pay the
 338 cost of any project from the proceeds of bonds, notes, or other obligations of the district
 339 or any other funds of the district, or from any contributions or loans by persons,

340 corporations, partnerships, whether limited or general, or other entities, all of which the
341 board is authorized to receive, accept, and use;

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

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

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

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

360 (10) To contract for any period, not exceeding 50 years, with the State of Georgia, state
361 institutions, or any municipal corporation, county, or political subdivision of this state for
362 the use by the district of any facilities or services of the state or any such state institution,
363 municipal corporation, county, or political subdivision of this state, or for the use by any
364 state institution, municipal corporation, county, or political subdivision of the state of any
365 facilities or services of the district, provided that such contracts shall deal with such
366 activities and transactions as the district and any such political subdivision with which
367 the district contracts are authorized by law to undertake;

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

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

373 (13) To use any real property, personal property, or fixtures, or any interest therein, or
374 to rent or lease such property to or from others or make contracts with respect to the use
375 thereof, or to sell, lease, exchange, transfer, assign, pledge, or otherwise dispose of or

376 grant options for any such property in any manner for the advantage of the district and
377 the public purposes thereof;

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

381 (15) To encourage and promote the improvement and development of the district and to
382 make, contract for, or otherwise cause to be made long-range plans or proposals for the
383 district in cooperation with Forsyth County;

384 (16) To adopt bylaws governing the conduct of business by the board, the election and
385 duties of officers of the board, and other matters as the board considers appropriate for
386 the bylaws;

387 (17) To invest its funds, whether derived from the issuance of bonds or otherwise, in
388 such manner as it may deem prudent and appropriate;

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

391 (19) To do all things necessary or convenient to carry out the powers conferred by this
392 Act.

393 (b) The powers enumerated in this section are cumulative of and in addition to those powers
394 enumerated elsewhere in this Act; and no such power shall limit or restrict any other power
395 of the board.

396 (c) The powers enumerated in this section are conferred for an essential governmental
397 function for a public purpose, and the revenues and debt of any district are not subject to
398 taxation.

399 **SECTION 11.**

400 **Bonds generally.**

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

405 (b) All bonds, notes, and other obligations of a district shall be authorized by resolution of
406 its board and adopted by a majority vote of the board members at a regular or special
407 meeting.

408 (c) Bonds, notes, or other obligations shall bear such date or dates, shall mature at such time
409 or times but not more than 30 years from their respective dates, shall bear interest at such rate
410 or rates which may be fixed or may fluctuate or otherwise change from time to time, shall

411 be subject to redemption on such terms, and shall contain such other terms, provisions,
412 covenants, assignments, and conditions as the resolution authorizing the issuance of such
413 bonds, notes, or other obligations may permit or provide. The terms, provisions, covenants,
414 assignments, and conditions contained in or provided or permitted by any resolution of the
415 board authorizing the issuance of such bonds, notes, or other obligations shall bind the board
416 members of the district then in office and their successors.

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

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

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

430 (g) Bonds issued by a district shall be validated under and in accordance with Article 3 of
431 Chapter 82 of Title 36 of the O.C.G.A., known as the "Revenue Bond Law," or in accordance
432 with such other successor provision governing bond validation generally as may be provided
433 by law. The signature of the clerk of the Superior Court of Forsyth County shall be made on
434 the certificate of validation of such bonds by facsimile or by manual execution, stating the
435 date on which such bonds were validated, and such entry shall be original evidence of the
436 fact of judgment and shall be received as original evidence in any court in this state.

437 (h) In lieu of specifying the rate or rates of interest which such bonds are to bear and the
438 principal amount and maturities of such bonds, the notice to the district attorney or the
439 Attorney General, the notice to the public of the time, place, and date of the validation
440 hearing, and the petition and complaint for validation may state that the bonds when issued
441 will bear interest at a rate not exceeding a maximum per annum rate of interest, which may
442 be fixed or may fluctuate or otherwise change from time to time, and that the principal
443 amount will not exceed and the final maturity date will not be later than as specified in such
444 notices and petition and complaint; or the notice or notices may state that, in the event the
445 bonds are to bear different rates of interest for different maturity dates, none of such rates
446 will exceed the maximum rate, which may be fixed or may fluctuate or otherwise change
447 from time to time, as so specified; provided, however, that nothing in this section shall be

448 construed as prohibiting or restricting the right of a board to sell such bonds at a discount,
 449 even if in doing so, the effective interest cost resulting therefrom would exceed the maximum
 450 per annum interest rate specified in such notices and in the petition and complaint.

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

455 **SECTION 12.**

456 Authorized contents of agreements and instruments of the board generally;
 457 use of proceeds of sale of bonds, notes, and other obligations;
 458 subsequent issues thereof.

459 (a) Subject to the limitations and procedures provided by this section and Section 11 of this
 460 Act, the agreements or instruments executed by a board may contain such provisions not
 461 inconsistent with law as shall be determined by such board.

462 (b) The proceeds derived from the sale of all bonds, notes, and other obligations issued by
 463 a district shall be held and used for the ultimate purpose of paying, directly or indirectly as
 464 permitted by this Act, all or part of the cost of any project, or for the purpose of refunding
 465 any bonds, notes, or other obligations issued in accordance with this Act.

466 (c) Issuance by a board of one or more series of bonds, notes, or other obligations for one
 467 or more purposes shall not preclude it from issuing other bonds, notes, or obligations in
 468 connection with the same project or with any other project; but the proceeding wherein any
 469 subsequent bonds, notes, or other obligations are issued shall recognize and protect any prior
 470 loan agreement, security agreement, or other agreement or instrument made for any prior
 471 issue of bonds, notes, or other obligations, unless, in the resolution authorizing such prior
 472 issue, the right is expressly reserved to the board to issue subsequent bonds, notes, or other
 473 obligations on a parity with such prior issue.

474 **SECTION 13.**

475 Construction; notice, proceeding, publication, referendum.

476 This Act shall be liberally construed to effect the purposes hereof. No notice, proceeding,
 477 or publication, except those required by this Act, shall be necessary to the performance of
 478 any act authorized by this Act, nor shall any such act be subject to referendum.

SECTION 14.

Dissolution.

479 (a)(1) Any district activated under the provisions of this Act may be dissolved.

482 (2) The conditions for such dissolution shall be:

483 (A) The adoption of a resolution approving of the dissolution of such community
484 improvement district by the governing authority of Forsyth County; and

485 (B) The written consent to the dissolution of the community improvement district by:

486 (i) A majority of the owners of real property within the district which are subject to
487 taxes, fees, and assessments levied by the board of the district; and

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

492 (3) The written consent provided for in subparagraph (B) of paragraph (2) of this
493 subsection shall be submitted to the Forsyth County tax commissioner, who shall certify
494 whether subparagraph (B) of paragraph (2) of this subsection has been satisfied with
495 respect to each proposed district dissolution.

496 (b) In the event that successful action is taken pursuant to this section to dissolve the district,
497 the dissolution shall become effective at such time as all debt obligations of the district have
498 been satisfied. Following a successful dissolution action and until the dissolution becomes
499 effective, no new projects may be undertaken, obligations or debts incurred, or property
500 acquired.

501 (c) Upon a successful dissolution action, all noncash assets of the district other than public
502 facilities or land or easements to be used for such public facilities, as described in Section 2
503 of this Act, shall be reduced to cash and, along with all other cash on hand, shall be applied
504 to the repayment of any debt obligation of the district. Any cash remaining after all
505 outstanding obligations are satisfied shall be remitted to Forsyth County.

506 (d) When a dissolution becomes effective, Forsyth County shall take title to all property
507 previously in the ownership of the district, and all taxes, fees, and assessments of the district
508 shall cease to be levied and collected.

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

510 (f) In the event that any district shall be dissolved in accordance with this section, the board
511 shall serve until December 31 of the year in which dissolution was approved for the purpose
512 of concluding any ongoing matters and projects. However, if such ongoing matters and
513 projects cannot be concluded by December 31 of such year, then the governing authority of
514 Forsyth County shall assume the duties of the board and shall be expressly authorized to

515 exercise the authority of the board of the dissolved district. In the alternative, the governing
516 authority of Forsyth County may, by resolution, assume all rights and obligations of the
517 district, either bonds or otherwise, and the district shall cease to exist upon the adoption of
518 such resolution.

519 **SECTION 15.**

520 Repealer.

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