

The Senate Committee on Transportation offered the following substitute to HB 960:

A BILL TO BE ENTITLED
AN ACT

To amend Chapter 61 of Title 36 of the Official Code of Georgia Annotated, relating to urban redevelopment for counties and municipal corporations, so as to provide for the use of surface transportation projects in urban redevelopment areas; to provide for definitions; to revise terminology from "slums" to "pockets of blight"; to provide for public contracts with private enterprises for the completion of surface transportation projects; to provide for methods of procurement for surface transportation projects in urban redevelopment areas; to provide for limitations on former public employees when negotiating contracts for surface transportation projects; to provide for the issuance of bonds for urban redevelopment projects; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

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

"36-61-2.

As used in this chapter, the term:

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

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

(3) 'Board' or 'commission' means a board, commission, department, division, office, body, or other unit of the municipality or county.

(4) 'Bonds' means any bonds (including refunding bonds), notes, interim certificates, certificates of indebtedness, debentures, or other obligations.

(5) 'Clerk' means the clerk or other official of the municipality or county who is the custodian of the official records of such municipality or county.

(6) 'County' means any county in this state.

(7) 'Downtown development authority' means an authority created pursuant to Chapter 42 of this title.

(8) 'Federal government' means the United States of America or any agency or instrumentality, corporate or otherwise, of the United States of America.

(9) 'Housing authority' means a housing authority created by and established pursuant to Article 1 of Chapter 3 of Title 8, the 'Housing Authorities Law.'

(10) 'Local governing body' means the council or other legislative body charged with governing the municipality and the board of commissioners or governing authority of the county.

(11) 'Mayor' means the mayor of a municipality or other officer or body having the duties customarily imposed upon the executive head of a municipality.

(12) 'Municipality' means any incorporated city or town in ~~the~~ this state.

(13) 'Obligee' includes any bondholder, agents, or trustees for any bondholders, or any lessor demising to the municipality or county property used in connection with an urban redevelopment project, or any assignee or assignees of such lessor's interest or any part thereof, and the federal government when it is a party to any contract with the municipality or county.

(14) 'Person' means any individual, firm, partnership, corporation, company, association, joint-stock association, or body politic and includes any trustee, receiver, assignee, or other person acting in a similar representative capacity.

(15) 'Pocket of blight' means an area in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, age, or obsolescence; inadequate provision for ventilation, light, air, sanitation, or open spaces; high density of population and overcrowding; existence of conditions which endanger life or property by fire and other causes; or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime and is detrimental to the public health, safety, morals, or welfare. 'Pocket of blight' also means an area which by reason of the presence of a substantial number of deteriorated or deteriorating structures; predominance of defective or inadequate street layout; faulty lot layout in relation to size, adequacy, accessibility, or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; tax or special assessment delinquency exceeding the fair value of the land;

the existence of conditions which endanger life or property by fire and other causes; by having development impaired by airport or transportation noise or by other environmental hazards; or any combination of such factors substantially impairs or arrests the sound growth of a municipality or county, retards the provisions of housing accommodations, or constitutes an economic or social liability and is a menace to the public health, safety, morals, or welfare in its present condition and use.

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

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

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

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

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

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

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

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

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

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

(C) Installation, construction, or reconstruction of streets, transit facilities and improvements, sidewalks, streetscapes, trails, bicycle facilities, utilities, parks,

playgrounds, and other improvements necessary for carrying out in the area the urban redevelopment provisions of this chapter; and

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

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

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

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

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

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

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

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

(21) 'Surface transportation project' means a project for public improvement and any related public facilities which is planned to impact 10,000 or more acres and at least ten

transit miles within the area of operation of the sponsoring local government, including any related facilities, systems, parks, trails, streets, greenspace, and any other integrated public or private development features included within any adopted infrastructure or transportation plan, urban redevelopment plan, strategic implementation plan, redevelopment plan, workable programs, or comprehensive plans. Surface transportation projects may be undertaken under this chapter in areas proximate to, but lying outside of, a designated urban redevelopment area, without regard to any requirement that the area be a pocket of blight, but only within the territorial limits of the sponsoring local government, provided that:

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

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

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

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

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

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

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

~~(22)~~(24) 'Urban redevelopment project' may include undertakings or activities of a municipality or county in an urban redevelopment area for the elimination and for the prevention of the development or spread of ~~slums~~pockets of blight and may involve ~~slum~~pocket of blight clearance and redevelopment in an urban redevelopment area, rehabilitation or conservation in an urban redevelopment area, the implementation of

public improvements, including, but not limited to, surface transportation projects, or any combination or part thereof, in accordance with an urban redevelopment plan. Although the power of eminent domain may not be exercised for ~~such~~ the following purposes, such undertakings or activities may include:

- (A) Acquisition, without regard to any requirement that the area be a ~~slum or blighted area~~ pocket of blight, of air rights in an area consisting of lands and highways, railway or subway tracks, bridge or tunnel entrances, or other similar facilities which have a blighting influence on the surrounding area and over which air rights sites are to be developed for the elimination of such blighting influences and for the provision of housing and related facilities and uses designed for, and limited primarily to, families and individuals of low or moderate income; and
- (B) Construction of foundations and platforms necessary for the provision of air rights sites of housing and related facilities and uses designed for, and limited primarily to, families and individuals of low or moderate income or construction of foundations necessary for the provision of air rights sites for development of nonresidential facilities."

SECTION 2.

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

"36-61-3.

(a) It is found and declared that there exist in municipalities and counties of this state ~~slum areas~~ pockets of blight, as defined in paragraph ~~(18)~~ (15) of Code Section 36-61-2, which constitute a serious and growing menace, injurious to the public health, safety, morals, and welfare of the residents of this state; that the existence of such areas contributes substantially and increasingly to the spread of disease and crime, constitutes an economic and social liability, substantially impairs or arrests the sound growth of municipalities and counties, retards the provision of housing accommodations, aggravates traffic problems, and substantially impairs or arrests the elimination of traffic hazards and the improvement of traffic facilities; and that the prevention and elimination of ~~slums~~ pockets of blight is a matter of state policy and state concern, in order that ~~the~~ this state and its municipalities and counties shall not continue to be endangered by areas which are local centers of disease, promote juvenile delinquency, and, while contributing little to the tax income of ~~the~~ this state and its municipalities and counties, consume an excessive proportion of its revenues because of the extra services required for police, fire, accident, hospitalization, and other forms of public protection, services, and facilities.

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

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

SECTION 3.

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

"36-61-4.

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

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

(1) In addition to other methods of procurement authorized by law, the sponsoring local government, urban redevelopment agency, or other governing body shall be authorized to utilize the procedures of this chapter to provide for the planning, design, finance, construction, acquisition, leasing, operation, and maintenance of surface transportation

projects. The provisions of this chapter shall be an alternative to such other methods to be exercised at the option of each sponsoring local government or public body;

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

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

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

(C)(i) The public body implementing the project and the sponsoring local government, with the participation of any designated representatives of other participating public bodies as determined by the sponsoring local government, may engage in individual discussions and interviews with each respondent deemed fully

qualified, responsible, and suitable on the basis of initial responses and with emphasis on professional competence and ability to meet the level of private financial participation as called for in such request. Repetitive, informal interviews and negotiation sessions may be conducted. Any such interviews and negotiation sessions shall be deemed to be a part of the procurement process.

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

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

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

(iv) Upon approval of the selection by the implementing public body, a contract or contracts not exceeding 50 years in duration may be entered into by the urban

redevelopment agency or any one or more of the participating public bodies and the selected respondent or respondents. The private financial information provided by the respondents shall remain exempt from Code Section 50-18-72 during and after the conclusion of the related selection process.

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

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

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

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

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

SECTION 4.

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:

"36-61-5.

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:

- (1) One or more ~~slum areas~~ pockets of blight exist in such municipality or county; and
- (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 of the residents of the municipality or county."

SECTION 5.

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

"36-61-6.

For the purposes of this chapter, a municipality or county may formulate a workable program for utilizing appropriate private and public resources including those specified in Code Section 36-61-11, to eliminate and prevent the development or spread of ~~slums~~ pockets of blight, to encourage needed urban rehabilitation, to provide for the redevelopment of ~~slum areas~~ pockets of blight, or to undertake such of the aforesaid activities or such other feasible municipal or county activities as may be suitably employed to achieve the objectives of such workable program. Such workable program may include, without limitation, provision for the prevention of the spread of ~~slums~~ pockets of blight into areas of the municipality or county which are free from ~~slums~~ pockets of blight, through diligent enforcement of housing, zoning, and occupancy controls and standards; the rehabilitation or conservation of ~~slum areas~~ pockets of blight or portions thereof by replanting, removing congestion, providing parks, playgrounds, and other public improvements, including without limitation surface transportation projects, encouraging voluntary rehabilitation, and compelling the repair and rehabilitation of deteriorated or deteriorating structures; and the clearance and redevelopment of ~~slum areas~~ pockets of blight or portions thereof."

SECTION 6.

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:

388 "36-61-7.

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

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

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

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

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

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

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

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

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

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

SECTION 7.

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

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

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

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

(B) Urban redevelopment plans;

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

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

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

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

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

SECTION 8.

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

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

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

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

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

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~~

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

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

(f) In any suit, action, or proceeding involving the validity or enforceability of any bond issued under this chapter or the security therefor, any such bond reciting in substance that it has been issued by the municipality or county in connection with an urban redevelopment project, as defined in paragraph (22)(24) of Code Section 36-61-2, shall be conclusively deemed to have been issued for such purpose and such project shall be conclusively deemed to have been planned, located, and carried out in accordance with this chapter. Suits, actions, and proceedings instituted under this paragraph may be initiated under and in accordance with, and have all the privileges under, Article 3 of Chapter 82 of this title, the 'Revenue Bond Law,' except as otherwise provided in this chapter.

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

SECTION 10.

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

"(b) The property of a municipality, ~~or~~ county, or any other public body, acquired or held for the purpose of this chapter, is declared to be public property used for essential public and governmental purposes and such property shall be exempt from all taxes of the municipality, the county, the state, or any political subdivision thereof. Such tax exemption shall terminate when the municipality or county sells, leases, or otherwise disposes of property in an urban redevelopment area to a purchaser or lessee who or which is not a public body."

SECTION 11.

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

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

- (1) Dedicate, sell, convey, or lease any of its interest in any property or grant easements, licenses, or other rights or privileges therein to a municipality or county;
- (2) Incur the entire expense of any public improvements made by such public body in exercising the powers granted in this Code section;
- (3) Do any and all things necessary to aid or cooperate in the planning or carrying out of an urban redevelopment plan;
- (4) Lend, grant, or contribute funds to a municipality or county;
- (5) Enter into agreements (which may extend over any period, notwithstanding any provision or rule of law to the contrary) with a municipality or county or other public body respecting action to be taken pursuant to any of the powers granted by this chapter, including the furnishing of funds or other assistance in connection with an urban redevelopment project and other provisions allocating legal responsibility for matters arising under or in connection with transactions entered into pursuant to Code Section 36-61-4; and
- (6) Cause public buildings and public facilities, including parks, trails, greenspace, playgrounds, recreational, community, education, transit, water, sewer, or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished; furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or replan streets, roads, sidewalks, ways, or other places; plan, replan, zone, or rezone any part of the public body or make exceptions from building regulations; and cause administrative and other services to be furnished to the municipality or county.

If at any time title to or possession of any urban redevelopment project is held by any public body or governmental agency, other than the municipality or county, which is

640 authorized by law to engage in the undertaking, carrying out, or administration of urban
641 redevelopment projects, including any agency or instrumentality of the United States of
642 America, the provisions of the agreements referred to in this subsection shall inure to the
643 benefit of and may be enforced by such public body or governmental agency. As used in
644 this subsection, the terms 'municipality' and 'county' shall also include an urban
645 redevelopment agency or a housing authority vested with all of the urban redevelopment
646 project powers pursuant to Code Section 36-61-17."

647 **SECTION 12.**

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

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

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

665 **SECTION 13.**

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