

House Bill 1431 (AS PASSED HOUSE AND SENATE)

By: Representative Hitchens of the 161st

A BILL TO BE ENTITLED

AN ACT

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

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18 under certain conditions; to provide for related matters; to repeal conflicting laws; and for
19 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 "City of Rincon 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 the City of Rincon, and each such district shall be created for
29 the provision of the following governmental services and facilities as may be provided for
30 in the resolution activating such district created hereby. Such services and facilities shall be
31 one 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, 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 body created for the governance of each community
47 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) "Cost of the project" or "cost of any project" means and includes:

52 (A) All costs of acquisition by purchase or otherwise, construction, assembly,
53 installation, modification, renovation, or rehabilitation incurred in connection with any
54 project or any part of any project;55 (B) All costs of real property, fixtures, or personal property used in or in connection
56 with or necessary for any project or for any facilities related thereto, including, but not
57 limited to, the cost of all land, estates for years, easements, rights, improvements, water
58 rights, connections for utility services, fees, franchises, permits, approvals, licenses, and
59 certificates; the cost of securing any such franchises, permits, approvals, licenses, or
60 certificates; and the cost of preparation of any application therefor and the cost of all
61 fixtures; machinery; equipment, including all transportation equipment and rolling
62 stock; furniture; and other property used in or in connection with or necessary for any
63 project;64 (C) All interest and other financing charges and loan fees and all interest on bonds,
65 notes, or other obligations of a district which accrue or are paid prior to and during the

- 66 period of construction of a project and during such additional period as the board may
67 reasonably determine to be necessary to place such project in operation;
- 68 (D) All costs of administration, engineering, surveying, and architectural and legal
69 services and all expenses incurred by administrative staff, engineers, surveyors,
70 architects, and attorneys in connection with any project;
- 71 (E) All expenses for inspection of any project;
- 72 (F) All fees of fiscal agents, paying agents, and trustees for bondholders under any trust
73 agreement, indenture of trust, or similar instrument or agreement; all expenses incurred
74 by any such fiscal agents, paying agents, and trustees; and all other costs and expenses
75 incurred relative to the issuance of any bonds, notes, or other obligations for any
76 projects;
- 77 (G) All expenses of or incidental to determining the feasibility or practicability of any
78 project;
- 79 (H) All costs of plans and specifications for any project;
- 80 (I) All costs of title insurance and examinations of title with respect to any project;
- 81 (J) Repayment of any loans made for the advance payment of any part of any of the
82 foregoing costs, including interest thereon and any other expenses of such loans;
- 83 (K) Administrative expenses of the board and such other expenses as may be necessary
84 for or incidental to any project or the financing thereof or the placing of any project in
85 operation;
- 86 (L) The establishment of a fund or funds for the creation of a debt service reserve, a
87 renewal and replacement reserve, or such other funds or reserves as the board may
88 approve with respect to the financing and operation of any project and as may be
89 authorized by any bond resolution, trust agreement, indenture of trust, or similar
90 instrument or agreement pursuant to the provisions of which the issuance of any bonds,
91 notes, or other obligations of the district may be authorized; and
- 92 (M) Any cost, obligation, or expense incurred for any of the foregoing purposes.

93 (5) "District" means the geographical area designated as such by the resolution of the
94 governing authority consenting to the creation of the community improvement district or
95 as thereafter modified pursuant to subsection (b) of Section 7 of this Act.

96 (6) "Election" means the City of Rincon general municipal election held every four years
97 wherein the mayor and councilmembers are elected.

98 (7) "Electors" means those individuals living in the City of Rincon, Georgia, who are
99 registered voters and who are qualified to vote in the City of Rincon general municipal
100 election wherein the mayor and six councilmembers are elected.

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

115 (9) "Forestry" means the planting and growing of trees for sale in a program which
116 includes reforestation of harvested trees, regular underbrush and undesirable growth
117 clearing, fertilizing, pruning, thinning, cruising, and marking which indicate an active
118 tree-farming operation. Such term does not include the casual growing of trees on land

119 otherwise idle or held for investment, even though some harvesting of trees may occur
120 thereon.

121 (10) "Project" means the acquisition, construction, installation, modification, renovation,
122 rehabilitation, or operation of land; interests in land, buildings, structures, facilities, or
123 other improvements located or to be located within or otherwise providing service to the
124 district; and the acquisition, installation, modification, renovation, rehabilitation, or
125 furnishing of fixtures, machinery, equipment, furniture, or other property of any nature
126 whatsoever used on, in, or in connection with any such land, interest in land, building,
127 structure, facility, or other improvement, for all the essential public purposes set forth in
128 Section 2 of this Act.

129 (11) "Property owner" or "owner of real property" means any entity or person shown as
130 a taxpayer for one or more parcels of real estate on the most recent ad valorem tax
131 records of Effingham County within the district. Ownership as shown by the most recent
132 ad valorem tax records of Effingham County shall serve as prima-facie proof of
133 ownership. Multiple owners of one parcel shall constitute one property owner and shall
134 designate in writing one of their number to represent the whole.

135 (12) "Property used nonresidentially" means property or any portion thereof used for
136 neighborhood shopping, planned shopping center, general commercial, transient lodging
137 facilities, tourist services, office or institutional, office services, light industry, heavy
138 industry, central business district, parking, or other commercial or business use, as well
139 as vacant land zoned or approved for any of the uses listed in this paragraph which does
140 not include residential.

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

144 (14) "Taxpayer" means any entity or person paying ad valorem taxes on real property,
145 whether on one or more parcels of property within the district. Multiple owners of one

146 parcel shall constitute one taxpayer and shall designate in writing one of their number to
147 represent the whole.

148 **SECTION 4.**

149 Creation.

150 (a) Pursuant to Article IX, Section VII of the Constitution of the State of Georgia, there is
151 created one or more community improvement districts to be located in the City of Rincon,
152 wholly within the incorporated area thereof, each of which shall be activated upon
153 compliance with the conditions provided in this Act and which shall be governed by a board
154 as constituted pursuant to this Act. The conditions for such activation shall be:

155 (1) The adoption of a resolution consenting to the creation of each community
156 improvement district by the governing authority of the City of Rincon; and

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

158 (A) A majority of the owners of real property within the district which will be subject
159 to taxes, fees, and assessments levied by the board of the district; and

160 (B) The owners of real property within the district which constitutes at least 75 percent
161 by value of all real property within the district which will be subject to taxes, fees, and
162 assessments levied by the board and for this purpose, value shall be determined by the
163 most recent approved county ad valorem tax digest.

164 (b) The written consents provided for in paragraph (2) of subsection (a) of this section shall
165 be submitted to the Effingham County tax commissioner, who shall certify whether
166 paragraph (2) of subsection (a) of this section has been satisfied with respect to each such
167 proposed district.

168 (c) No district or board created under this Act shall transact any business or exercise any
169 powers under this Act until the foregoing conditions of this section are met. A copy of such
170 resolutions shall be filed with the Secretary of State, who shall maintain a record of all

171 districts activated under this Act, and a second copy shall be filed with the Department of
172 Community Affairs.

173 **SECTION 5.**

174 Administration, appointment, and election of board members.

175 (a) Pursuant to Article IX, Section VII, Paragraph III of the Constitution of the State of
176 Georgia, each district created pursuant to this Act shall be administered by a board composed
177 of the mayor and the six city councilmembers of the City of Rincon, Georgia, serving in an
178 ex officio capacity.

179 (b) The board members shall receive no compensation for their services but shall be
180 reimbursed for actual expenses incurred in the performance of their duties. The mayor shall
181 serve as the chairperson of the board. The board shall elect one of its members as vice
182 chairperson and shall also elect a secretary and a treasurer or a secretary-treasurer, either of
183 whom may, but need not, be a member of the board.

184 **SECTION 6.**

185 Taxes, fees, and assessments.

186 (a) The board may levy taxes, fees, and assessments within the district only on real property
187 used nonresidentially, specifically excluding all property exempt from ad valorem taxation
188 under the Constitution or laws of the State of Georgia and all property used for residential,
189 agricultural, or forestry purposes and specifically excluding tangible personal property and
190 intangible property. Any tax, fee, or assessment so levied shall not exceed 2 1/2 percent of
191 the aggregate assessed value of all such real property; provided, however, that no tax, fee,
192 or assessment so levied shall exceed any lesser limitation designated in the project
193 specifications and that no tax, fee, or assessment shall be levied beyond any time limitation

194 designated as provided in the project specifications. The taxes, fees, and assessments levied
195 by the board shall be equitably apportioned among the properties subject to such taxes, fees,
196 and assessments according to the need for governmental services and facilities created by the
197 degree of density of development of each such property. The proceeds of taxes, fees, and
198 assessments levied by the board shall be used only for the purpose of providing governmental
199 services and facilities which are specially required by the degree of density of development
200 within the applicable district and not for the purpose of providing those governmental
201 services and facilities to the county or municipality as a whole. Any tax, fee, or assessment
202 so levied shall be collected by the City of Rincon in the same manner as taxes, fees, and
203 assessments are levied by the city. Delinquent taxes shall bear the same interest and
204 penalties as city ad valorem taxes and may be enforced and collected in the same manner.
205 The proceeds of taxes, fees, and assessments so levied, less a fee to cover the costs of
206 collection of 1 percent thereof, but not more than \$25,000.00 in any one calendar year, shall
207 be transmitted by the City of Rincon to the board and shall be expended by the board only
208 for the purposes authorized by this Act.

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

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

220

SECTION 7.

221

Boundaries of the districts.

222 (a) The boundaries of each district shall be designated as such by the governing authority
223 of the City of Rincon and shall lie wholly within the incorporated area of the City of Rincon
224 as set forth in the resolutions required in Section 4 of this Act, or as may thereafter be added
225 as provided in this Act.

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

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

231 (2) Written consent of owners of real property within the area sought to be annexed into
232 the district which constitutes at least 75 percent by value of all real property within the
233 area sought to be annexed into the district which will be subject to taxes, fees, and
234 assessments levied by the board, and for this purpose value shall be determined by the
235 most recent approved county ad valorem tax digest;

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

238 (4) The adoption of a resolution consenting to the annexation by the governing authority
239 of the City of Rincon.

240

SECTION 8.

241

Debt.

242 Each district may incur debt without regard to the requirements of Article IX, Section V of
243 the Constitution of Georgia, or any other provision of law prohibiting or restricting the

244 borrowing of money or the creation of debt by political subdivisions of the State of Georgia,
245 and the debt shall be backed by the full faith, credit, and taxing power of the district, but shall
246 not be an obligation of the State of Georgia, the City of Rincon, or any other unit of
247 government of the State of Georgia other than the district.

248 **SECTION 9.**

249 Cooperation with local governments.

250 The services and facilities provided pursuant to this Act shall be provided for in a
251 cooperation agreement executed jointly by the board and the governing body of the City of
252 Rincon. If the parties to the cooperation agreement so agree, the cooperation agreement may
253 provide that such private persons as are designated by the district perform the actual
254 construction or improvement of the services and facilities provided by the district. The
255 provisions of this section shall in no way limit the authority of the City of Rincon to provide
256 services or facilities within the district, and the City of Rincon shall retain full and complete
257 authority and control over any of its facilities located within its respective areas of any
258 district. Such control shall include, but not be limited to, the modification of, access to, and
259 degree and type of services provided through or by facilities of the municipality. Nothing
260 contained in this section shall be construed to limit or preempt the application of any
261 governmental laws, ordinances, resolutions, or regulations to the district or the services or
262 facilities provided within the district.

263

SECTION 10.

264

Powers.

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

268 (1) To bring and defend actions;

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

270 (3) To make and execute contracts, agreements, and other instruments necessary or
271 convenient to exercise the powers of the board or to further the public purposes for which
272 the district is created, including, but not limited to, contracts for construction of projects,
273 leases of projects, contracts for sale of projects, agreements for loans to finance projects,
274 contracts with respect to the use of projects, and agreements with other jurisdictions or
275 community improvement districts regarding multijurisdictional projects or services or for
276 other cooperative endeavors to further the public purposes of the district;

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

280 (5) To finance by loan, grant, lease, or otherwise, and to construct, erect, assemble,
281 purchase, acquire, own, repair, remodel, renovate, rehabilitate, modify, maintain, extend,
282 improve, install, sell, equip, expand, add to, operate, or manage projects and to pay the cost
283 of any project from the proceeds of bonds, notes, or other obligations of the district or any
284 other funds of the district, or from any contributions or loans by persons, corporations,
285 partnerships, whether limited or general, or other entities, all of which the board is
286 authorized to receive, accept, and use;

287 (6) To borrow money to further or carry out its public purposes and to execute bonds,
288 notes, other obligations, leases, trust indentures, trust agreements, agreements for the sale

289 of its bonds, notes, or other obligations, loan agreements, security agreements, assignments,
290 and such other agreements or instruments as may be necessary or desirable, in the judgment
291 of the board, to evidence and to provide security for such borrowing;

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

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

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

305 (10) To contract for any period, not exceeding 50 years, with the State of Georgia, state
306 institutions, or any municipal corporation, county, or political subdivision of this state for
307 the use by the district of any facilities or services of the state or any such state institution,
308 municipal corporation, county, or political subdivision of this state, or for the use by any
309 state institution or any municipal corporation, county, or political subdivision of the state
310 of any facilities or services of the district, provided that such contracts shall deal with such
311 activities and transactions as the district and any such political subdivision with which the
312 district contracts are authorized by law to undertake;

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

- 316 (12) To receive and administer gifts, grants, and devises of money and property of any
317 kind and to administer trusts;
- 318 (13) To use any real property, personal property, or fixtures, or any interest therein, or to
319 rent or lease such property to or from others or make contracts with respect to the use
320 thereof, or to sell, lease, exchange, transfer, assign, pledge, or otherwise dispose of or grant
321 options for any such property in any manner for the advantage of the district and the public
322 purposes thereof;
- 323 (14) To appoint, select, and employ engineers, surveyors, architects, urban or city
324 planners, fiscal agents, attorneys, administrators, administrative staff, and others, and to fix
325 their compensation and pay their expenses and benefits;
- 326 (15) To encourage and promote the improvement and development of the district and to
327 make, contract for, or otherwise cause to be made long-range plans or proposals for the
328 district in cooperation with the City of Rincon;
- 329 (16) To adopt bylaws governing the conduct of business by the board, the election and
330 duties of officers of the board, and other matters as the board considers appropriate for the
331 bylaws;
- 332 (17) To invest its funds, whether derived from the issuance of bonds or otherwise, in such
333 manner as it may deem prudent and appropriate;
- 334 (18) To exercise any power granted by the laws of this state to public or private
335 corporations which is not in conflict with the public purposes of the district; and
- 336 (19) To do all things necessary or convenient to carry out the powers conferred by this
337 Act.
- 338 (b) The powers enumerated in this section are cumulative of and in addition to those powers
339 enumerated elsewhere in this Act and no such power shall limit or restrict any other power
340 of the board.

341 (c) The powers enumerated in this section are conferred for an essential governmental
342 function for a public purpose, and to the maximum extent provided by general law, the
343 revenues and debt of any district are not subject to taxation.

344

SECTION 11.

345

Bonds - generally.

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

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

352 (c) Bonds, notes, or other obligations shall bear such date or dates, shall mature at such time
353 or times but not more than 30 years from their respective dates, shall bear interest at such rate
354 or rates which may be fixed or may fluctuate or otherwise change from time to time, shall
355 be subject to redemption on such terms, and shall contain such other terms, provisions,
356 covenants, assignments, and conditions as the resolution authorizing the issuance of such
357 bonds, notes, or other obligations may permit or provide. The terms, provisions, covenants,
358 assignments, and conditions contained in or provided or permitted by any resolution of the
359 board authorizing the issuance of such bonds, notes, or other obligations shall bind the board
360 members of the district then in office and their successors.

361 (d) The board shall have power from time to time, and whenever it deems it expedient, to
362 refund any bonds by the issuance of new bonds, whether or not the bonds to be refunded
363 have matured, and may issue bonds partly to refund bonds then outstanding and partly for
364 any other purpose permitted by this Act. The refunding bonds may be exchanged for the

365 bonds to be refunded, with such cash adjustments as may be agreed upon, or may be sold and
366 the proceeds applied to the purchase or redemption of the bonds to be refunded.

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

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

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

381 (h) In lieu of specifying the rate or rates of interest which such bonds are to bear, and the
382 principal amount and maturities of such bonds, the notice to the district attorney or the
383 Attorney General, and the notice to the public of the time, place, and date of the validation
384 hearing, and the petition and complaint for validation may state that the bonds when issued
385 will bear interest at a rate not exceeding a maximum per annum rate of interest, which may
386 be fixed or may fluctuate or otherwise change from time to time, and that the principal
387 amount will not exceed and the final maturity date will not be later than as specified in such
388 notices and petition and complaint; or the notice or notices may state that, in the event the
389 bonds are to bear different rates of interest for different maturity dates, none of such rates
390 will exceed the maximum rate, which may be fixed or may fluctuate or otherwise change
391 from time to time, as so specified; provided, however, that nothing in this section shall be

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

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

399 **SECTION 12.**

400 Authorized contents of agreements and instruments of the board generally;
401 use of proceeds of sale of bonds, notes, and other obligations;
402 subsequent issues of bonds, notes, and other obligations.

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

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

410 (c) Issuance by a board of one or more series of bonds, notes, or other obligations for one
411 or more purposes shall not preclude it from issuing other bonds, notes, or obligations in
412 connection with the same project or with any other project; but the proceeding wherein any
413 subsequent bonds, notes, or other obligations are issued shall recognize and protect any prior
414 loan agreement, security agreement, or other agreement or instrument made for any prior
415 issue of bonds, notes, or other obligations, unless, in the resolution authorizing such prior

416 issue, the right is expressly reserved to the board to issue subsequent bonds, notes, or other
417 obligations on a parity with such prior issue.

418 **SECTION 13.**

419 Construction; applicability of Chapter 5 of Title 10 of the O.C.G.A.,
420 the "Georgia Uniform Securities Act of 2008";
421 notice, proceeding, publication, referendum.

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

425 **SECTION 14.**

426 Dissolution.

427 (a) Any district activated under the provisions of this Act may be dissolved, provided that
428 the following conditions are met:

429 (1) The adoption of a resolution approving of the dissolution of such community
430 improvement district by the governing authority of the City of Rincon; and

431 (2) The written consent to the dissolution of the community improvement district by:

432 (A) Two-thirds of the owners of real property within the district which is subject to
433 taxes, fees, and assessments levied by the board of the district; and

434 (B) The owners of real property constituting at least 75 percent by value of all real
435 property within the district which is subject to taxes, fees, and assessments levied by
436 the board. For this purpose, value shall be determined by the most recent approved
437 county ad valorem tax digest.

438 (b) The written consent provided for in paragraph (2) of subsection (a) of this section shall
439 be submitted to the Effingham County tax commissioner, who shall certify whether
440 paragraph (2) of subsection (a) of this section has been satisfied with respect to each
441 proposed district dissolution.

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

447 (d) Upon a successful dissolution action, all noncash assets of the district other than public
448 facilities or land or easements to be used for such public facilities, as described in Section 2
449 of this Act, shall be reduced to cash and, along with all other cash on hand, shall be applied
450 to the repayment of any debt obligation of the district. Any cash remaining after all
451 outstanding obligations are satisfied shall be remitted to the City of Rincon.

452 (e) When a dissolution becomes effective, the City of Rincon shall take title to all
453 property previously in the ownership of the district, and all taxes, fees, and assessments of
454 the district shall cease to be levied and collected.

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

456 (g) In the event that any district shall be dissolved in accordance with this section, the board
457 shall serve until December 31 of the year in which dissolution was approved for the purpose
458 of concluding any ongoing matters and projects. However, if such ongoing matters and
459 projects cannot be concluded by December 31 of such year, then the governing authority of
460 the City of Rincon shall assume the duties of the administrative board and shall be expressly
461 authorized to exercise the authority of the administrative board. In the alternative, the
462 governing authority of the City of Rincon may, by resolution, assume all rights and
463 obligations of the district, either bonds or otherwise, and the district shall cease to exist upon
464 the adoption of such resolution.

465

SECTION 15.

466

Repealer.

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