

House Bill 601

By: Representatives Turner of the 21st, Cantrell of the 22nd, Carson of the 46th, Caldwell of the 20th, and Ballinger of the 23rd

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 Holly Springs; to provide for a short title; to provide for the purposes of said districts; to
3 provide for definitions; to provide for boards to administer said districts; to provide for
4 appointment or election of members of said boards; to provide for taxes, fees, and
5 assessments; to provide for the boundaries of said districts; to provide procedures for the
6 determination of the specifications for projects to be undertaken by the district and the
7 manner of levying taxes, fees, and assessments with respect thereto; to provide for the debt
8 of said districts; to provide for cooperation with local governments; to provide for powers
9 of said districts; to provide for general obligation bonds, notes, and other obligations of said
10 districts; to provide for the form of bonds, provisions for exchange and transfer, certificates
11 of validation, and specification of interest rates in notice to the district attorney or the
12 Attorney General and in notice of validation hearings; to provide for authorized contents of
13 agreements and instruments of the boards generally; to provide for use of proceeds of sale
14 of bonds, notes, and other instruments; to provide for subsequent issues of bonds, notes, and
15 other obligations; to provide for construction; to provide that Chapter 5 of Title 10 of the
16 O.C.G.A., the "Georgia Uniform Securities Act of 2008," shall not apply to the offer, sale,
17 or issuance of the bonds, notes, or other obligations; to provide that no notice, proceeding,
18 publication, or referendum shall be required; to provide the procedures connected with all
19 of the foregoing; to provide for the termination of districts under certain conditions; to
20 provide for related matters; to repeal conflicting laws; and for other purposes.

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

22 **SECTION 1.**

23 Short title.

24 This Act shall be known and may be cited as the "City of Holly Springs Community
25 Improvement Districts Act."

H. B. 601

SECTION 2.

Purpose.

The purpose of this Act shall be to provide for the creation of one or more community improvement districts within the City of Holly Springs, and such districts shall be created for the provision of the following governmental services and facilities as may be provided for in the resolution activating each district created under this Act or any supplemental resolution amending same:

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

SECTION 3.

Definitions.

As used in this Act, the term:

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

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

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

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

(E) All expenses for inspection of any project;

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

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

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

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

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

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

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

(6) "District" means the geographical area designated as such by the resolution of the governing body consenting to the creation of the community improvement district or as thereafter modified by any subsequent resolution of the governing body within which the

district is or is to be located, or a body corporate and politic being a community improvement district created and activated pursuant hereto, as the context requires or permits.

(7) "Electors" means the owners of real property used nonresidentially within the district which is then subject to taxes, fees, and assessments levied by the board, as they appear on the most recent ad valorem real property tax return records of Cherokee County, or one officer or director of a corporate elector, one trustee of a trust which is an elector, one partner of a partnership elector, or one designated representative of an elector whose designation is made in writing.

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

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

(10) "Project" means the acquisition, construction, installation, modification, renovation, or rehabilitation of land, interests in land, buildings, structures, facilities, or other improvements located or to be located within the district or in another community improvement district immediately adjoining the district as to directly benefit the district, such benefit to be determined by the board, and the acquisition, installation, modification, renovation, rehabilitation, or furnishing of fixtures, machinery, equipment, furniture, or other property of any nature whatsoever used on, in, or in connection with any such land, interest in land, building, structure, facility, or other improvement, for all the essential

public purposes set forth in Section 2 of this Act so long as the project is described in the project specifications for the district.

(11) "Project specifications" means a description of the project or projects to be undertaken by the district. Such term shall include the rates for taxes, fees, and assessments that the district may levy. Such term may also include as a matter of election any or all of the following:

(A) The maximum amounts that may be raised for any annual period by taxes, fees, and assessments;

(B) The maximum period of time during which such taxes, fees, and assessments may be levied; and

(C) A method for the equitable apportionment of such taxes, fees, and assessments.

(12) "Property owner" or "owner of real property" means any entity or person shown as a taxpayer for one or more parcels of real estate on the most recent ad valorem tax records of Cherokee County within the district as certified by the Cherokee County Tax Commissioner. Multiple owners of one parcel shall constitute one property owner and shall designate in writing one of their number to represent the whole.

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

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

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

SECTION 4.

Creation.

(a) Pursuant to Article IX, Section VII of the Constitution of the State of Georgia, there is created one or more community improvement districts to be located in the City of Holly Springs, wholly within the incorporated area thereof, each of which shall be activated upon

compliance with the conditions provided in this Act and which shall be governed by a board as constituted pursuant to this Act. The conditions for such activation shall be:

(1) The delivery of a petition by any taxpayer containing the project specifications for the proposed district to the governing body of the City of Holly Springs;

(2) The adoption of a resolution consenting to the creation of each community improvement district by the governing body of the City of Holly Springs which states that the district is created pursuant to this Act and to the project specifications;

(3) Written consent to the creation of the community improvement district and the project specifications by:

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

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

(4) If the proposed district is to lie in an area wholly or partially coexistent with one or more community improvement districts, then the board of the newly created district and the board of the preexisting district or districts shall have entered into a cooperative agreement whereby the collection of taxes and the provision of services in the overlapping areas of such districts shall be specified.

(b) The written consents provided for in paragraph (3) of subsection (a) of this section and the cooperative agreement, if required, provided for in paragraph (4) of subsection (a) of this section shall be submitted to the Cherokee County Tax Commissioner, who shall certify whether paragraphs (3) and (4) of subsection (a) of this section, as applicable, have been satisfied with respect to each such proposed district.

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

(d) The project specifications may be amended, changed, or expanded from time to time, but not so as to reduce taxes, fees, and assessments pledged to holders of bonds or other indebtedness of the district without such holders' written consent, by the adoption, certification, and filing of a resolution and written consents as described in paragraphs (2) and (3) of subsection (a) of this section.

SECTION 5.

Administration, appointment, and election of board members.

(a) Each district created pursuant to this Act shall be administered by a board composed of five members to be appointed and elected as provided in this section. Two board members shall be appointed by the governing body of the City of Holly Springs and the remaining board members shall be elected by the electors. The appointed board members shall serve at the pleasure of the governing body of the City of Holly Springs. The initial elected board members shall serve for terms of office as follows: one shall serve for two years, and the remaining board members shall serve for four years. Thereafter, all terms of office shall be four years, except the appointed members who serve at the pleasure of the governing body of the City of Holly Springs.

(b) The initial board members to be elected by the electors as provided in subsection (a) of this section shall be elected in a caucus of electors, which shall be held within 90 days after the adoption of the resolutions and obtaining the written consents provided for in this Act at such time and place within the district as the governing body of the City of Holly Springs shall designate after notice thereof shall have been given to said electors by publishing such notice in the legal organ of Cherokee County as provided in this Act and by contacting each elector by United States mail at the address indicated in the property tax rolls. The mayor of the City of Holly Springs or the mayor's designee shall convene the initial caucus of electors. A quorum of any such caucus shall consist of those electors present, and a majority of those present and voting is necessary to elect board members. No proxy votes may be cast. Thereafter, there shall be conducted biennially, not later than 60 days following the last day for filing ad valorem real property tax returns in Cherokee County, a caucus of said electors at such time and place within the district as the board shall designate in such notice for the purpose of electing board members to those positions which have terms expiring or that are vacant. If a vacancy occurs in an elected position on the board, the board shall, within 60 days thereafter, call a special election to fill the same to be held within 60 days of the call unless such vacancy occurs within 180 days of the next regularly scheduled election, in which case a special election may, but need not, be called. For any election held under the provisions of this Act, notice of such election shall be given to the electors by:

(1) Publishing notice thereof in the legal organ of Cherokee County on four dates at least 45 days, 31 days, 17 days, and ten days, respectively, prior to such election; and

(2) Contacting each elector at least 31 days prior to such election by United States mail at the address indicated in the property tax rolls.

(c) One board member shall be elected by majority vote of the electors present and voting at the caucus on the basis of one vote for each elector. Such board member shall be elected

to a term of office of two years at the initial caucus of electors when the board is first formed and to terms of office of four years thereafter. Two board members shall be elected by majority of the votes cast by the electors present and voting at the caucus, with each elector having one vote for each \$1,000.00 (or fraction thereof) in assessed value of the property owned by the elector subject to taxes, fees, or assessments levied by the board. All vacancies to be filled through election shall be filled by majority vote in the same manner as the board member previously holding the seat.

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

(e) Board members elected by the electors shall be electors within the district. If such board member ceases to be an elector, such board member's position shall be declared vacant as of the date of the event terminating such status.

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

SECTION 6.

Taxes, fees, and assessments.

(a) The board may levy taxes, fees, and assessments within the district only on real property used nonresidentially, specifically excluding all property exempt from ad valorem taxation under the Constitution or laws of the State of Georgia and all property used for residential, agricultural, or forestry purposes and specifically excluding tangible personal property and intangible property. Any tax, fee, or assessment so levied shall not exceed 2 1/2 percent of the aggregate assessed value of all such real property; provided, however, that no tax, fee, or assessment so levied shall exceed any lesser limitation designated in the project specifications and that no tax, fee, or assessment shall be levied beyond any time limitation designated as provided in the project specifications. The taxes, fees, and assessments levied by the board shall be equitably apportioned among the properties subject to such taxes, fees, and assessments according to the need for governmental services and facilities created by the degree of density of development of each such property. The proceeds of taxes, fees, and assessments levied by the board shall be used only for the purpose of providing governmental services and facilities which are specially required by the degree of density of development within the applicable district and not for the purpose of providing those governmental services and facilities to the county or municipality as a whole. Any tax, fee, or assessment

so levied shall be collected by the City of Holly Springs in the same manner as taxes, fees, and assessments are levied by the city. Delinquent taxes shall bear the same interest and penalties as city ad valorem taxes and may be enforced and collected in the same manner. The proceeds of taxes, fees, and assessments so levied, less a fee to cover the costs of collection of 1 percent thereof, but not more than \$25,000.00 in any one calendar year, shall be transmitted by the City of Holly Springs to the board and shall be expended by the board only for the purposes authorized by this Act.

(b) The board shall levy the taxes, fees, and assessments provided for in subsection (a) of this section subsequent to the report of the assessed taxable values for the current calendar year and shall notify in writing the collecting governing body so it may include the levy on its regular ad valorem tax bills.

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

SECTION 7.

Boundaries of the districts.

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

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

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

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

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

(4) The adoption of a resolution consenting to the annexation by the governing body of the City of Holly Springs.

SECTION 8.**Debt.**

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

SECTION 9.**Cooperation with local governments.**

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

SECTION 10.**Powers.**

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

- (1) Bring and defend actions;
- (2) Adopt and amend a corporate seal;
- (3) Make and execute contracts, agreements, and other instruments necessary or convenient to exercise the powers of the board or to further the public purposes for which

the district is created, including, but not limited to, contracts for construction of projects, leases of projects, contracts for sale of projects, agreements for loans to finance projects, contracts with respect to the use of projects, and agreements with other jurisdictions or community improvement districts regarding multijurisdictional projects or services or for other cooperative endeavors to further the public purposes of the district;

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

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

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

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

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

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

(10) Contract for any period, not exceeding 50 years, with the State of Georgia, state institutions, or any municipal corporation, county, or political subdivision of this state for the use by the district of any facilities or services of the state or any such state institution, municipal corporation, county, or political subdivision of this state, or for the use by any state institution or any municipal corporation, county, or political subdivision of the state

of any facilities or services of the district, provided that such contracts shall deal with such activities and transactions as the district and any such political subdivision with which the district contracts are authorized by law to undertake;

(11) Whenever bonds of the district have been validated as provided in this Act, issue, from time to time, its notes in anticipation of the issuance of such bonds as validated and to renew, from time to time, any such notes by the issuance of new notes, whether the notes to be renewed have or have not matured. The district may issue notes only to provide funds which would otherwise be provided by the issuance of the bonds as validated. The notes may be authorized, sold, executed, and delivered in the same manner as bonds. As with its bonds, the district may sell such notes at public or private sale. Any resolution or resolutions authorizing notes of the district or any issue thereof may contain any provisions which the district is authorized to include in any resolution or resolutions authorizing bonds of the district or any issue thereof; and the district may include in any notes any terms, covenants, or conditions which it is authorized to include in any bonds. Validation of such bonds shall be a condition precedent to the issuance of the notes, but it shall not be required that such notes be judicially validated. Bond anticipation notes shall not be issued in an amount exceeding the par value of the bonds in anticipation of which they are to be issued;

(12) Grant, mortgage, convey, assign, or pledge its property, revenues, or taxes, fees, or assessments to be received as security for its bonds, notes, or other indebtedness and obligations;

(13) Invest its funds, whether derived from the issuance of its bonds or otherwise, in such manner as it may deem prudent and appropriate, without further restriction;

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

(15) Receive and administer gifts, grants, and devises of money and property of any kind and to administer trusts;

(16) Use any real property, personal property, or fixtures or any interest therein or to rent or lease such property to or from others or make contracts with respect to the use thereof or to sell, lease, exchange, transfer, assign, pledge, or otherwise dispose of or grant options for any such property in any manner as it deems to be to the best advantage of the district and the public purposes thereof;

(17) Appoint, select, and employ engineers, surveyors, architects, urban or city planners, fiscal agents, attorneys, and others and to fix their compensation and pay their expenses;

(18) Encourage and promote the improvement and development of the district and to make, contract for, or otherwise cause to be made long-range plans or proposals for the district in cooperation with the City of Holly Springs;

(19) Adopt bylaws governing the conduct of business by the board, the election and duties of officers of the board, and other matters which the board determines to deal with in its bylaws;

(20) Exercise any power granted by the laws of this state to public or private corporations which is not in conflict with the public purposes of the district; and

(21) Do all things necessary or convenient to carry out the powers conferred by this Act.

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

SECTION 11.

Bonds - generally.

(a) Notes or other obligations issued by a district, other than general obligation bonds, shall be paid solely from the property pledged to pay such notes or other obligations. General obligation bonds issued by any district shall constitute a general obligation of the district to the repayment of which the full faith, credit, and taxing power of the district shall be pledged, subject to the power of the district to tax only in accordance with any limitations established by the project specifications.

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

(c) Bonds, notes, or other obligations shall bear such date or dates, shall mature at such time or times but not more than 40 years from their respective dates, shall bear interest at such rate or rates which may be fixed or may fluctuate or otherwise change from time to time, shall be subject to redemption on such terms, and shall contain such other terms, provisions, covenants, assignments, and conditions as the resolution authorizing the issuance of such bonds, notes, or other obligations may permit or provide. The terms, provisions, covenants, assignments, and conditions contained in or provided or permitted by any resolution of the board authorizing the issuance of such bonds, notes, or other obligations shall bind the board members of the district then in office and their successors. The provisions of any such resolution or resolutions shall be a contract with every holder of such bonds, notes, or other obligations, and the duties of the district, the board, and the officers of the district under any such resolution or resolutions shall be enforceable by any holder of such bonds, notes, or other obligations by mandamus or other appropriate action or proceeding at law or in equity.

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

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

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

461 (g) Bonds issued by a district shall be validated under and in accordance with Article 3 of
462 Chapter 82 of Title 36 of the O.C.G.A., the "Revenue Bond Law," or in accordance with such
463 other successor provision governing bond validation generally as may be provided by law.
464 Bonds shall bear a certificate of validation. The signature of the clerk of the Superior Court
465 of Cherokee County shall be made on the certificate of validation of such bonds by facsimile
466 or by manual execution, stating the date on which such bonds were validated, and such entry
467 shall be original evidence of the fact of judgment and shall be received as original evidence
468 in any court in this state.

469 (h) In lieu of specifying the rate or rates of interest which such bonds are to bear, and the
470 principal amount and maturities of such bonds, the notice to the district attorney or the
471 Attorney General, the notice to the public of the time, place, and date of the validation
472 hearing, and the petition and complaint for validation may state that the bonds when issued
473 will bear interest at a rate not exceeding a maximum per annum rate of interest, which may
474 be fixed or may fluctuate or otherwise change from time to time, and that the principal
475 amount will not exceed and the final maturity date will not be later than as specified in such
476 notices, petition, and complaint, or may state that, in the event the bonds are to bear different
477 rates of interest for different maturity dates, none of such rates will exceed the maximum
478 rate, which may be fixed or may fluctuate or otherwise change from time to time, so
479 specified; provided, however, that nothing in this section shall be construed as prohibiting
480 or restricting the right of a board to sell such bonds at a discount, even if in doing so the
481 effective interest cost resulting therefrom would exceed the maximum per annum interest rate
482 specified in such notices and in the petition and complaint.

SECTION 12.

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

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

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

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

SECTION 13.

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

This Act shall be liberally construed to effect the purposes hereof. The offer, sale, or issuance of bonds, notes, or other obligations by a district shall not be subject to regulation under Chapter 5 of Title 10 of the O.C.G.A., the "Georgia Uniform Securities Act of 2008." No notice, proceeding, or publication, except those required by this Act, shall be necessary to the performance of any act authorized by this Act, nor shall any such act be subject to referendum.

512 **SECTION 14.**

513 Dissolution.

514 Any district activated under the provisions of this Act may be dissolved. So long as a district
515 has no debt outstanding, the board of a district may terminate and dissolve the district as of
516 a certain date, and on such date all property, rights, and obligations of the district shall
517 devolve to the City of Holly Springs.

518 **SECTION 15.**

519 Repealer.

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