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DIVISION 2. - BUILDING AUTHORITY OF FULTON COUNTY

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Sec. 2-386. - Title of division.

This division shall be known as and may be referred to as the "County Building Authorities Act," and shall be applicable to all counties of this state having a population of 550,000 or more according to the 1970 U.S. census or any such future census.

(1980 Ga. Laws (Act No. 1373), page 4488, § 1)

Sec. 2-387. - Creation; composition; election of officers; quorum; compensation; rules; change of name.

There is hereby created in each county in which this division is applicable a body corporate and politic to be known as the county building authority of such county which shall be deemed to be an instrumentality of the State of Georgia and a public corporation, and by that name, style, and title, said body may contract and be contracted with, sue and be sued, implead and be impleaded, and complain and defend in all courts of law and equity. The authority shall consist of the chairman of the board of commissioners, the county manager, and the director of finance of such county or, in the event that such offices shall not exist in such county, the elected official who shall be the sole executive authority or the chairman of the board of commissioners, the nonelected official who shall be the chief administrative officer of such county, and the individual who shall be or perform the functions of the county treasurer. If the board of commissioners consists of three or more members, the authority shall also consist of two members of the board of commissioners who shall be elected by the board of

commissioners within 30 days after the effective date of this division and every four years thereafter at the first meeting of the board of commissioners held in January following their election. If the board of commissioners consists of less than three members, all of the members of the board of commissioners shall also be members of the authority. Immediately upon the passage and approval of this division, the members of the authority shall enter upon their duties. The authority shall elect one of its members as chairman and shall elect a secretary and treasurer who need not necessarily be a member of the authority. No vacancy on the authority shall impair the right of the quorum to exercise all the rights and perform all the duties of the authority. The members of the authority shall not be entitled to compensation for their services but shall be entitled to and shall be reimbursed for their actual expenses necessarily incurred in the performance of their duties. The authority shall make rules and regulations for its own government. It shall have perpetual existence. Any change in name or composition of the authority shall in no way affect the vested rights of any person under the provisions of this division or impair the obligations of any contracts existing under this division.

(1980 Ga. Laws (Act No. 1373), page 4488, § 2; 1987 Ga. Laws (Act No. 794), page 1491, § 1)

Sec. 2-388. - Definitions.

As used in this division the following words and terms shall have the following meanings:

- (1) The word "Authority" or "authority" [sic] shall mean the county building authority, or authorities created by this division, even though such word is used in the singular. Said authority shall be known as the building authority of _____ County.
- (2) "Bonds" or "revenue bonds" as used in this division shall mean any bonds issued by the authority under the provisions of this division, including refunding bonds.
- (3) "County" shall mean each county in which a building authority is or may be created by this division.
- (4) The term "cost of the project" shall embrace the cost of construction; the cost of all lands, properties, rights and easements and franchises acquired; the cost of all machinery, equipment and other personal property, financing charges, interest prior to and during construction; and, for one year after completion of construction, cost of engineering, architectural and legal expenses, and of plans and specifications, and other expenses necessary or incident to determining the feasibility or practicability of the project, administrative expense; and such other expenses as may be necessary or incident to the financing herein authorized, the construction and acquisition of any project, the placing of the same in operation, and the condemnation of the property necessary for such construction, acquisition and operation. Any obligation or expense incurred for any of the foregoing purposes shall be regarded as a part of the cost of the project and may be paid or reimbursed as such out of the proceeds of revenue bonds issued under the provisions of this division for such project.
- (5) "County" shall mean each county in which a building authority is or may be created by this division.
- (6) The word "project" shall be deemed to mean and include one or a combination of two or more of the following:
 - a. The acquisition, construction, furnishing, and equipping of any and all structures, buildings, electric, gas, steam, water utilities, or any other facilities of any and every type, kind, and character determined by the authority to be desirable for the efficient operation of any department, board, commission, or agency of the county, the State of Georgia, any municipal corporation lying in whole or in part in the county, or any government agency operating in the county which the county may be required by law to support financially, or the United States government or any agency or subsidiary corporation thereof, together with all necessary or useful furnishing, furniture, fixtures, decorations, appointments, art objects, machinery, equipment, parking facilities, and landscaping, all as determined by the authority, which determination shall be final and not subject to review. The term "project" shall also mean and include the acquisition, construction, furnishing, equipping, maintenance, and operation of facilities that may or will enhance the attractiveness, convenience, utility, or usefulness of any undertaking described in the immediately preceding sentence, which facilities may be leased, operated by, or otherwise made available to any public or private person, firm, or corporation, all as determined by the authority, which determination shall be final and not subject to review.
 - b. Effective July 1, 1996, the word "project" shall mean only a building or facility intended for use as a juvenile court facility.
- (7) Any project or combination of projects shall be deemed "self-liquidating" if, in the judgment of the authority, the revenues to be derived by the authority from rentals of said project or projects will be sufficient to pay the cost of maintaining, repairing and operating the project and to pay the principal and interest of revenue bonds which may be issued for the cost of such project, projects, or combination of projects.

(1980 Ga. Laws (Act No. 1373), page 4488, § 3; 1982 Ga. Laws (Act No. 1379), page 5031, §§ 1, 2; 1996 Ga. Laws (Act No. 790), page 625, § 1)

Sec. 2-389. - Powers.

The authority shall have the powers:

- (1) To have a seal and alter the same at pleasure;
- (2) To acquire by purchase, lease or otherwise, and to hold, lease and dispose of real and personal property of every kind and character for its corporate purposes;
- (3) To acquire in its own name by gift or purchase, on such terms and conditions and in such manner as it may deem proper, real property or rights of easements therein or franchise necessary or convenient for its corporate purposes, and to use the same so long as its corporate existence shall continue and to lease or make contracts with respect to the use of or dispose of the same in any manner it deems to the best advantage of the authority, and no property shall be acquired under provisions of this division upon which any lien or other incumbrance exists, unless at the time such property is so acquired a sufficient sum of money be deposited in trust to pay and redeem the fair value of such lien or incumbrance; and, if the authority shall deem it expedient to construct any project on lands which are a part of the real estate holdings of the State of Georgia, the governor is hereby authorized to execute for and on behalf of the state a lease upon such lands to the authority for such parcel or parcels as shall be needed for a period not to exceed 50 years; and, if the authority shall deem it expedient to construct any project on any other lands the title to which shall then be in the State of Georgia, the governor is hereby authorized to convey, for and in behalf of the state, title to such lands to the authority;
- (4) To appoint and select officers, agents and employees, including engineering, architectural and construction experts, fiscal agents and attorneys, and fix their compensation;
- (5) To make and execute with public and private persons and corporations, both foreign and domestic, contracts, leases, rental agreements and other instruments relating to projects and to execute all instruments necessary or convenient, including contracts for construction of projects and leases of projects, or contracts with respect to the use of projects which it causes to be erected or acquired, and any and all political subdivisions, municipal corporations, departments, institutions or agencies of the state or any other state, and any other governmental agency, and the government of any other nation or any agency thereof, and the United States government or any agency thereof, and any private person, firm or corporation are authorized to enter into contracts, leases or agreements with the authority upon such terms and for such purposes as they deem advisable, and without limiting the generality of the above, authority is specifically granted to any such lessee to enter into contracts and lease agreements for the use of any structure, building or facility, or a combination of any two or more structures, buildings or facilities of the authority for a term not exceeding 50 years, and any such lessee may obligate itself to pay an agreed sum for the use of such property so leased, and also to obligate itself as part of the lease contract to pay the cost of maintaining, repairing, and operating the project so leased from the authority;
- (6) To construct, erect, acquire, own, repair, remodel, maintain, add to, extend, improve, equip, operate and manage projects, as hereinabove defined, to be located on property owned by or leased by the authority, the cost of any such project to be paid in whole or in part from the proceeds of revenue bonds of the authority, or from such proceeds and any grant from the United States of America, the State of Georgia, or any agency or instrumentality thereof;
- (7) To accept loans and/or grants of money or materials or property of any kind from the United States of America or any agency or instrumentality thereof, including the Reconstruction Finance Corporation, upon such terms and conditions as the United States of America or such agency or instrumentality, including the Reconstruction Finance Corporation, may impose;
- (8) To borrow money for any of its corporate purposes and to issue negotiable revenue bonds payable solely from funds pledged for that purpose, and to provide for the payment of the same and for the rights of the holders thereof;
- (9) To exercise any power usually possessed by private corporations performing similar functions which is not in conflict with the constitution and laws of this state;
- (10) Notwithstanding any other provisions of this division, effective July 1, 1996, no bonds shall be issued by the authority for any project other than the construction of a juvenile court facility. Nothing in this paragraph shall affect the validity of any bonds or obligations issued by the authority prior to July 1, 1996; and
- (11) To do all things necessary or convenient to carry out the powers expressly given in this division.

(1980 Ga. Laws (Act No. 1373), page 4488, § 4; 1982 Ga. Laws (Act No. 1379), page 5031, § 3; 1996 Ga. Laws (Act No. 790), page 625, § 2)

Sec. 2-390. - Revenue bonds; authority for issuance.

- (a) The authority, or any authority or body which has or which may in the future succeed to the powers, duties and liabilities vested in the authority created hereby, is authorized to provide by resolution for the issuance of negotiable revenue bonds in an amount at any time outstanding not to exceed \$75,000,000.00 for the purpose of paying all or any part of the cost as herein defined of any one or combination of projects.
- (b) In addition to the authorization under subsection (a) of this section, the authority, or any authority or body which may in the future succeed to the powers, duties and liabilities vested in the authority created hereby, is authorized to provide by resolution on or prior to January 1, 1989, for the issuance of negotiable revenue bonds in an amount at any time outstanding not to exceed \$75,000,000.00 to be allocated solely for a project comprised of judicial facilities and facilities related thereto. Bonds issued pursuant to this subsection shall be refundable as otherwise provided in this division.

- (c) The principal and interest of such revenue bonds shall be payable solely from the special fund herein provided for such payment. The bonds of each issue shall be dated and shall be payable in such medium of payment as to both principal and interest as may be determined by the authority and may be made redeemable before maturity, at the option of the authority, at such price or prices and under such terms and conditions as may be fixed by the authority in the resolution providing for the issuance of the bonds. The interest rate on or rates to be borne by any bonds, notes, or other obligations issued by the authority shall be fixed by resolution of the authority, and any limitations with respect to interest rates found in the Revenue Bond Law (O.C.G.A. § 36-82-60 et seq.) or the usury laws of the State of Georgia shall not apply to authority obligations.

(1980 Ga. Laws (Act No. 1373), page 4488, § 5; 1982 Ga. Laws (Act No. 1379), page 5031, § 4; 1987 Ga. Laws (Act No. 794), page 1491, § 2)

Sec. 2-391. - Form and denominations of bonds.

The authority shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest thereof, which may be at any bank or trust company within or without the state. The bonds may be issued in coupon or registered form, or both, as the authority may determine, and provision may be made for the registration of any coupon bond as to principal alone and also as to both principal and interest.

(1980 Ga. Laws (Act No. 1373), page 4488, § 6)

Sec. 2-392. - Signatures on bonds.

In case any officer whose signature shall appear on any bonds or whose facsimile signature shall appear on any coupon shall cease to be such officer before the delivery of such bonds, such signature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. All such bonds shall be signed by the chairman of the authority, and the official seal of the authority shall be affixed thereto and attested by the secretary of the authority, and any coupons attached thereto shall bear the signature or facsimile signature of the chairman of the authority. Any coupon may bear the facsimile signature of such person and any bond may be signed, sealed, and attested on behalf of the authority by such persons as at the actual time of the execution of such bonds shall be duly authorized or hold the proper office, although at the date of such bonds such persons may not have been so authorized or shall not have held such office.

(1980 Ga. Laws (Act No. 1373), page 4488, § 7)

Sec. 2-393. - Bonds are negotiable instruments; exempt from taxation.

All revenue bonds issued under the provisions of this division shall have and are hereby declared to have all the qualities and incidents or negotiable instruments under the negotiable instruments law of the state. Such bonds and the income thereof shall be exempt from all taxation within the state.

(1980 Ga. Laws (Act No. 1373), page 4488, § 8)

Sec. 2-394. - Sale of bonds.

The authority may sell such bonds in such manner and for such price as it may determine to be for the best interests of the authority.

(1980 Ga. Laws (Act No. 1373), page 4488, § 9)

Sec. 2-395. - Use of bond sales proceeds.

The proceeds of such bonds shall be used solely for the payment of the cost of the project or combined project and shall be disbursed under such restrictions, if any, as the resolution authorizing the issuance of the bonds or the trust indenture hereinafter mentioned may provide. If the proceeds of such bonds, by error of calculation or otherwise, shall be less than the cost of the project or combined project, unless otherwise provided in the resolution authorizing the issuance of the bonds or in the trust indenture, additional bonds may in like manner be issued to provide the amount of such deficit, which unless otherwise provided in the resolution authorizing the issuance of the bonds or in the trust indenture, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued for the same purpose. If the proceeds of the bonds of any issue shall exceed the amount required for the purpose for

which such bonds are issued, the surplus shall be paid into the fund hereinafter provided for the payment of principal and interest of such bonds.

(1980 Ga. Laws (Act No. 1373), page 4488, § 10; 1982 Ga. Laws (Act No. 1379), page 5031, § 5)

Sec. 2-396. - Interim receipts, interim certificates or temporary bonds.

Prior to the preparation of definitive bonds, the authority may, under like restrictions, issue interim receipts, interim certificates or temporary bonds, with or without coupons exchangeable for definitive bonds upon the issuance of the latter.

(1980 Ga. Laws (Act No. 1373), page 4488, § 11)

Sec. 2-397. - Replacement of mutilated, destroyed or lost bonds.

The authority may also provide for the replacement of any bond which shall become mutilated or be destroyed or lost.

(1980 Ga. Laws (Act No. 1373), page 4488, § 12)

Sec. 2-398. - Issuance of bonds.

Such revenue bonds may be issued without any other proceedings or the happening of any other conditions or things than those proceedings, conditions and things which are specified or required by this division. In the discretion of the authority, revenue bonds of a single issue may be issued for the purpose of paying the cost of any one or more, including a combination of, projects at any one institution or any number of institutions. Any resolution, providing for the issuance of revenue bonds under the provisions of this division, shall become effective immediately upon its passage, and need not be published or posted, and any such resolution may be passed at any regular or special or adjourned meeting of the authority by a majority of its members.

(1980 Ga. Laws (Act No. 1373), page 4488, § 13)

Sec. 2-399. - Bonds not to constitute debt to state or subdivision of state.

Revenue bonds issued under the provisions of this division shall not be deemed to constitute a debt of the State of Georgia, nor of any political subdivision thereof nor of any municipal corporation thereof, or a pledge of the faith and credit of the state, nor of any political subdivision thereof nor of any municipal corporation thereof, but such bonds shall be payable solely from the fund hereinafter provided for and the issuance of such revenue bonds shall not directly, indirectly or contingently obligate the state, nor any political subdivision or municipal corporation thereof, to levy or to pledge any form of taxation whatever therefor or to make any appropriation for the payment, and all such bonds shall contain recitals on their face covering substantially the foregoing provisions of this section: Provided, however, such funds may be received from appropriations or from any other source as hereby declared to be available and may be used by any department, board, commission or agency for the performance of any lease contract entered into by said board.

(1980 Ga. Laws (Act No. 1373), page 4488, § 14; 1982 Ga. Laws (Act No. 1379), page 5031, § 5)

Sec. 2-400. - Securing of bonds by trust indenture.

In the discretion of the authority, any issue of such revenue bonds may be secured by a trust indenture by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside of the state. Such trust indenture may pledge or assign rents, revenue and earnings to be received by the authority. Either the resolution providing for the issuance of revenue bonds or such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of the law, including covenants setting forth the duties of the authority in relation to the acquisition of property, the construction of the project, the maintenance, operation, repair, and insurance of the project, and the custody, safeguarding and application of all moneys, and may also provide that any project shall be constructed and paid for with the professional assistance of consulting engineers or architects employed or designated by the authority and satisfactory to the original purchasers of the bonds issued therefor, and may also require that the security given by contractors and by any depository of the proceeds of the bonds or revenues or other moneys be satisfactory to such purchasers, and may also contain provisions concerning the conditions, if any, upon which additional revenue bonds may be issued. It shall be lawful for any bank or trust company having

the powers of a trust company under the laws of this state, any other state, or the United States to act as such depository and to furnish such indemnifying bonds or pledge such securities as may be required by the authority. Such indenture may set forth the rights and remedies of the bondholders and of the trustee and may restrict the individual right of action of bondholders as is customary in trust indentures securing bonds and debentures of corporations. In addition to the foregoing, such trust indentures may contain such other provisions as the authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out such trust indenture may be treated as a part of the cost of maintenance, operation and repair of the project affected by such indenture.

(1980 Ga. Laws (Act No. 1373), page 4488, § 15; 1982 Ga. Laws (Act No. 1379), page 5031, § 6)

Sec. 2-401. - Provisions for payment of proceeds of sale of bonds.

The authority shall, in the resolution providing for issuance of revenue bonds or in the trust indenture, provide for the payment of the proceeds of the sale of the bonds to any officer or person who or any agency, bank or trust company which shall act as trustee of such funds and shall hold and apply the same to the purposes hereof, subject to such regulations as this division and such resolution or trust indenture may provide.

(1980 Ga. Laws (Act No. 1373), page 4488, § 16)

Sec. 2-402. - Pledge of revenues.

The revenues, rents and earnings derived from any particular project or combined project, or any and all funds from any source received by any department, board, commission or agency or any other person or entity entering into a lease agreement with the authority, and pledged and allocated by it to the authority as security for the performance or any lease or leases, or any and all revenues, rents and earnings received by the authority, regardless of whether or not such rents, earnings, and revenues were produced by a particular project for which bonds have been issued unless otherwise pledged and allocated, may be pledged and allocated by the authority to the payment of the principal and interest on revenue bonds of the authority as the resolution authorizing the issuance of the bonds or in the trust instrument may provide, and such funds so pledged from whatever source received, which said pledge may include funds received from one or more or all sources, shall be set aside at regular intervals as may be provided in the resolution or trust indenture into a sinking fund which said sinking fund shall be pledged to and charged with the payment of:

- (1) The interest upon such revenue bonds as such interest shall fall due;
- (2) The principal of the bonds as the same shall fall due;
- (3) The necessary charges of paying agents for paying principal and interest; and
- (4) Any premium upon bonds retired by call or purchase as hereinabove provided.

The use and disposition of such sinking fund shall be subject to such regulations as may be provided in the resolution authorizing the issuance of the revenue bonds or in the trust indenture, but, except as may otherwise be provided in such resolution or trust indenture, such sinking fund shall be a fund for the benefit of all revenue bonds without distinction or priority of one over another. Subject to the provisions of the resolution authorizing the issuance of the bonds or in the trust indenture, surplus moneys in the sinking fund may be applied to the purchasing or redemption of bonds and any such bonds so purchased or redeemed shall forthwith be cancelled and shall not again be issued.

(1980 Ga. Laws (Act No. 1373), page 4488, § 17; 1982 Ga. Laws (Act No. 1379), page 5031, § 7)

Sec. 2-403. - Enforcement of division.

Any holder of revenue bonds or interest coupons issued under the provisions of this division, any receiver for such holders, or indenture trustee, if any there be, except to the extent the rights herein given may be restricted by resolution passed before the issuance of the bonds or by the trust indenture, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights under the laws of the State of Georgia or granted hereunder or under such resolution or trust indenture, and may enforce and compel performance of all duties required by this division, or by resolution or trust indenture, to be performed by the authority, or any officer thereof, including the fixing, charging, and collecting of revenues, rents, and other charges for the use of the project or projects, and, in the event of default of the authority upon the principal and interest obligations of any revenue bond issue, shall be subrogated to each and every right, specifically including the contract rights of collecting rental, which the authority may possess against the lessee and, in the pursuit of its remedies as subrogee, may proceed, either at law or in equity, by suit, action, mandamus or other proceedings, to collect any sums by such proceedings due and owing to the authority and pledged or partially pledged directly or indirectly to the benefit of the revenue bond issue of which said individual, receiver, or trustee is representative. No holder of any such bond or receiver or indenture trustee thereof shall have the right to compel any exercise of the taxing power of any lessee to pay any such bond or the interest thereon, or to enforce the payment thereof against any property of any lessee which is not a private

person, firm, or corporation, nor shall any such bond constitute a charge, lien, or encumbrance, legal or equitable, upon the property of any lessee which is not a private person, firm, or corporation. Provided, however, any provision of this [division] or any other act to the contrary notwithstanding, any such bondholder or receiver or indenture trustee shall have the right by appropriate legal or equitable proceedings (including, without being limited to, mandamus) to enforce compliance by the appropriate public officials of the provisions of any contract, lease, or leases entered into with the authority, and permission is hereby given for the institution of any such proceedings to compel the payment of lease obligations.

(1980 Ga. Laws (Act No. 1373), page 4488, § 18; 1982 Ga. Laws (Act No. 1379), page 5031, § 8)

Sec. 2-404. - Revenue refunding bonds.

The authority is authorized to provide by resolution for the issue of revenue refunding bonds of the authority for the purpose of refunding any revenue bonds issued under the provisions of this division and then outstanding, together with accrued interest thereon. The issuance of such revenue refunding bonds, the maturities and all other details thereof, the rights of the holders thereof, and the duties of the authority in respect to the same, shall be governed by the foregoing provision of this division insofar as the same may be applicable.

(1980 Ga. Laws (Act No. 1373), page 4488, § 19)

Sec. 2-405. - Bonds to be made securities; legal investments.

The bonds herein authorized are hereby made securities in which all public officers and bodies of this state and all municipalities and all municipal subdivisions; all insurance companies and associations and other persons carrying on an insurance business; all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the state may properly and legally invest funds including capital in their control or belonging to them. The bonds are also hereby made securities which may be deposited with and shall be received by all public officers and bodies of this state and all municipalities and municipal subdivisions for any purpose for which the deposit of the bonds or other obligations of this state is now or may hereafter be authorized.

(1980 Ga. Laws (Act No. 1373), page 4488, § 20)

Sec. 2-406. - Tax exempt status of bonds.

It is hereby found, determined and declared, that the creation of the authority, and the carrying out of its corporate purpose, is in all respects for the benefit of the people of this state, and is a public purpose and that the authority will be performing an essential governmental function in the exercise of the power conferred upon it by this division, and this state covenants with the holders of the bonds that the authority shall be required to pay no taxes or assessments upon any of the property acquired or leased by it, or under its jurisdiction, control, possession or supervision, or upon its activities in the operation or maintenance of the buildings erected or acquired by it, or any fees, rentals, or other charges, for the use of such buildings, or other income received by the authority, and that the bonds of the authority, their transfer, and the income therefrom shall at all times be exempt from taxation within the state.

(1980 Ga. Laws (Act No. 1373), page 4488, § 21)

Sec. 2-407. - Actions to protect or enforce rights under division; court having jurisdiction.

Any action to protect or enforce any rights under the provisions of this division shall be brought in the superior court of the county, Georgia, and any action pertaining to validation of any bonds issued under the provisions of this division shall likewise be brought in said court which shall have exclusive, original jurisdiction of such actions.

(1980 Ga. Laws (Act No. 1373), page 4488, § 22)

Sec. 2-408. - Validation of bonds.

Bonds of the authority shall be confirmed and validated in accordance with the procedure of O.C.G.A. tit. 36, ch. 82, art. 3 (O.C.G.A. § 36-82-60 et seq.), the Revenue Bond Law. The petition for validation shall also make party defendant to such

action any authority, subdivision, instrumentality, agency or municipal corporation of the State of Georgia, or any other lessee which has contracted with the county building authority for the use of any building, structure, or facilities for which bonds have been issued and sought to be validated, and such authority, subdivision, instrumentality, agency, or lessee shall be required to show cause, if any, why such contract or contracts and the terms and conditions thereof should not be inquired into by the court and the validity of the terms thereof determined, and the contract adjudicated as security for the payment of any such bonds of the authority. The bonds when validated and the judgment of validation shall be final and conclusive with respect to such bonds and against the authority issuing the same, and any authority, subdivision, instrumentality, agency, municipal corporation, or other lessee contracting with the county building authority.

(1980 Ga. Laws (Act No. 1373), page 4488, § 23; 1982 Ga. Laws (Act No. 1379), page 5031, § 9)

Sec. 2-409. - Effect of outstanding bonds.

While any of the bonds issued by the authority remain outstanding, the powers, duties or existence of said authority or of its officers, employees or agents or of any department, board, commission or agency of the state, or any political subdivision or municipal corporation thereof, shall not be diminished or impaired in any manner that will affect adversely the interests and rights of the holders of such bonds, and no other entity, department, agency or authority will be created which will compete with the authority to such an extent as to affect adversely the interests and rights of the holders of such bonds, nor will the state, any political subdivision or municipal corporation, itself so compete with the authority. The provisions of this division shall be for the benefit of the state, political subdivisions and municipal corporations thereof, the authority and the holders of any such bonds, and, upon the issuance of bonds under the provisions hereof, shall constitute a contract with the holders of such bonds.

(1980 Ga. Laws (Act No. 1373), page 4488, § 24)

Sec. 2-410. - Other sources of revenue.

The authority, in addition to the moneys which may be received from the sale of revenue bonds and from the collection of revenues, rents, and earnings derived under the provisions of this division, shall have authority to accept from any federal agency grants for or in aid of the construction of any project or for the payment of bonds, and to receive and accept contributions from any source of either money or property or other things of value to be held, used and applied only for the purposes for which such grants or contributions may be made.

(1980 Ga. Laws (Act No. 1373), page 4488, § 25)

Sec. 2-411. - Funds received pursuant to division to be deemed trust funds.

All moneys received pursuant to the authority of this division, whether as proceeds from the sale of revenue bonds, as grants or other contributions, or as revenues, rents and earnings, shall be deemed to be trust funds to be held and applied solely as provided in this division.

(1980 Ga. Laws (Act No. 1373), page 4488, § 26)

Sec. 2-412. - Fixing of rentals and other charges.

The authority is hereby authorized to fix rentals and other charges, which any department, board, commission, or agency of the State of Georgia, governmental subdivisions or municipal corporations thereof, or other persons, firms, or corporations, shall pay to the authority for the use of each project, or part thereof or combination of projects, and to charge and collect the same and to lease and make contracts with any lessee with respect to the use by an institution or unit under its control of any project or part thereof. Such rentals and other charges shall be so fixed and adjusted in respect to the aggregate thereof from the project or projects for which a single issue of revenue bonds is used as to provide a fund sufficient with other revenues of such project or projects, if any, to pay:

- (1) The cost of maintaining, repairing and operating the project or projects, including reserves for extraordinary trust indentures, unless such cost shall be otherwise provided for, which cost shall be deemed to include the expenses incurred by the authority on account of the project or projects for water, light, sewer and other services furnished by other facilities at such institution; and
- (2) The principal of the revenue bonds and the interest thereon as the same shall become due.

(1980 Ga. Laws (Act No. 1373), page 4488, § 27)

Sec. 2-413. - Rental payments.

Rentals contracted to be paid to the authority by any lessee which is any department, board, commission or agency of the county or any municipal corporation organized under the laws of the State of Georgia or any governmental agency created under the laws of the State of Georgia or the State of Georgia itself under any lease to the authority entered upon pursuant to this division shall constitute obligations of such lessees for the payment of which the good faith of any such lessee is hereby pledged. Such rentals shall be paid as provided in the lease contract from funds appropriated for such purposes by the terms of the Constitution of the State of Georgia. It shall be the duty of any such lessee to see to the punctual payment of all such rentals.

In the event of any failure or refusal on the part of any lessee punctually to perform any covenant or obligation contained in any lease entered upon pursuant to this division, the authority may enforce performance by any legal or equitable process against any such lessee, and consent is hereby given for the institution of any such action against any such lessee which is described in the immediately preceding paragraphs of this section.

The authority shall be permitted to assign any rental due it by any lessee to a trustee, paying agent, or other person designated to serve as the holder of a security interest on behalf of the holders of any authority revenue bonds, all as may be required by the terms of any trust indenture entered into by the authority or resolution adopted by the authority pertaining to such matters.

(1980 Ga. Laws (Act No. 1373), page 4488, § 27; 1982 Ga. Laws (Act No. 1379), page 5031, § 10)

Sec. 2-414. - Prescription of rules for operation of projects.

It shall be the duty of the authority to prescribe rules and regulations for the operation of each project or combination of projects constructed under the provisions of this division, including rules and regulations to ensure maximum use or occupancy of each such project.

(1980 Ga. Laws (Act No. 1373), page 4488, § 28)

Sec. 2-415. - Construance of division to effect its purposes.

This division, being for the welfare of the state, the county thereof, and their inhabitants, shall be liberally construed to effect the purposes hereof.

(1980 Ga. Laws (Act No. 1373), page 4488, § 29)

Sec. 2-416. - Bonds to be satisfied in full.

This division shall be applicable only in those counties of this state having a population of 550,000 according to the 1970 U.S. census or any future such census. If any authority created hereby shall issue any revenue bonds, such authority shall continue in existence regardless of the population of the county in which it is located, until such bonds shall be satisfied in full.

(1980 Ga. Laws (Act No. 1373), page 4488, § 30)

Secs. 2-417 2-445. - Reserved.