HOUSE BILL NO. 1703

AN ACT TO AUTHORIZE THE BOARD OF SUPERVISORS OF HANCOCK COUNTY, MISSISSIPPI, TO CREATE SPECIAL ASSESSMENT AREAS TO ENCOURAGE ECONOMIC DEVELOPMENT IN THE COUNTY; TO AUTHORIZE THE COUNTY TO ISSUE BONDS TO PROVIDE FUNDS TO CONSTRUCT PUBLIC IMPROVEMENTS; TO PROVIDE THAT BONDS ISSUED BY THE COUNTY MAY BE SECURED BY A PLEDGE OF REVENUES OF A SPECIAL ASSESSMENT AREA, BY SPECIAL ASSESSMENTS, BY TAX REVENUES OR BY ANY COMBINATION THEREOF; TO AUTHORIZE THE LEVYING, UNDER CERTAIN CIRCUMSTANCES, OF AN AD VALOREM TAX ON ALL TAXABLE PROPERTY WITHIN A SPECIAL ASSESSMENT AREA; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. For the purposes of this act, the following words and phrases shall have the meanings ascribed to them in this section unless the context clearly indicates otherwise:

(a) "Board" means the Board of Supervisors of Hancock County, Mississippi.

(b) "County" means Hancock County, Mississippi.

(c) "Area" means a special assessment area within the county created pursuant to this act.

SECTION 2. The Legislature finds that certain locations within the county have inadequate infrastructure, including, but not limited to, water supply facilities, sewer facilities, gas utility facilities, fire protection facilities, storm drainage systems, water retention facilities, lakes, recreation facilities, roadways and streets, including curbing, gutters, streetlights, irrigation, landscaping and sidewalks and other public improvements that serve those locations for the purposes of casino, resort, theme park, residential or other commercial development. The purpose of this act is to authorize the board to
designate certain locations within the county in need of utilities
and improvements in accordance with the provisions of this act.

SECTION 3. (1) A petition for the designation of an area
may be submitted to the board. The petition must be signed by the
owners of no less than seventy-five percent (75%) of the land
within the boundaries of the proposed area on a square footage
basis. The petition shall include (a) a statement for the
necessity for the service or services to be supplied by the
county; (b) an estimate of the cost of the acquisition or
construction of the facilities to be operated by the county; and
(c) an estimate by the petitioner or petitioners of the cost of
development within the area, which estimate shall include an
itemized breakdown of the type or nature of each project, the cost
of each project and a projected timetable for completion of each
project. The petition shall be signed in person by the
petitioners and accompanied by a sworn statement of the person or
persons circulating the petition, who shall state under oath that
he witnessed the signature of each petitioner, that each signature
is the signature of the person it purports to be, and that to the
best of his knowledge, each petitioner, at the time of signing,
was an owner of real property within the proposed area. A
petitioner may be a corporation.

(2) If the board determines that the designation of the
proposed area is in the best interest of the county, the board,
upon the filing of the petition, shall fix a time and place for a
public hearing upon the question of the public convenience and
necessity of the designation of the proposed area. If the board
elects to fix a time and place for a hearing, the date fixed for
the hearing shall not be more than sixty (60) days after the
filing of the petition. The date, place and notice of the hearing
shall be set forth in a notice to be signed by the clerk of the
board. The notice shall be published once a week for at least
three (3) consecutive weeks in a newspaper having a general
circulation within the county. The first publication shall be made not less than twenty-one (21) days before the date of the hearing, and the last publication shall be made not more than seven (7) days before the date of the hearing. If, following the public hearing, the board finds that public convenience and necessity require the designation of the proposed area, the board shall adopt a resolution making those findings and designating the area. If the area is within the corporate limits of any municipality, then the county shall submit its resolution designating the area under this subsection (2) to such municipality and request that such municipality adopt a resolution declaring a need therefor. The county shall not proceed to issue any bonds under this act until it has received this resolution from the municipality.

(3) As an alternative to the procedure prescribed in subsection (1) of this section, a petition for the designation of an area may be submitted to the board. The petition must be signed by one or more owners of land within an area who unanimously agree that only their property within the area will be assessed for the proposed project within the area. The petition shall include (a) a statement for the necessity for the service or services to be supplied by the county; (b) an estimate of the cost of the acquisition or construction of the facilities to be operated by the county; and (c) an estimate by the petitioner or petitioners of the cost of development within the area, which estimate shall include an itemized breakdown of the type or nature of each project, the cost of each project and a projected timetable for completion of each project. The petition shall be signed in person by the petitioner and accompanied by a sworn statement of the person or persons circulating the petition, who shall state under oath that he witnessed the signature of each petitioner, that each signature is the signature of the person it purports to be, and that to the best of his knowledge, each
petitioner, at the time of signing, was an owner of real property within the proposed area. A petitioner may be a corporation. Benefited owners of land within the designated area who do not petition for designation under this subsection (3) shall not be subject to assessment for projects within the respective designated area. If the board determines that the designation of the proposed area under this subsection (3) is in the best interest of the county, the board shall then proceed under subsection (2) of this section.

SECTION 4. The board shall have the powers enumerated in the resolution of the board designating the area, including, but not limited to, constructing, acquiring, reconstructing, improving, bettering or extending roadways and streets, including curbing, gutters, streetlights, irrigation, landscaping and sidewalks, and facilities for a water, sewer, gas utility, fire protection or storm drainage system, water retention facilities, lakes, recreation facilities, and other public improvements, or any combination thereof, and to conducting and operating the facilities and to contracting with any municipality, county or other governmental entity, or with any person, firm or corporation for a supply of water, gas or other services required incident to the operation and maintenance of the system.

SECTION 5. (1) The county may issue bonds to provide funds for constructing, acquiring, reconstructing, improving, bettering or extending water supply facilities, sewer facilities, gas utility facilities, fire protection facilities, storm drainage systems, water retention facilities, lakes, recreation facilities, roadways and streets, including curbing, gutters, streetlights, irrigation, landscaping and sidewalks and other public improvements that serve the area for the purpose of casino, resort, theme park, residential or other commercial and industrial development. The bonds shall be payable primarily from the revenues of the facilities and, if so provided for in the
proceedings authorizing the bonds, the bonds shall be payable also
from special assessments levied under Section 9 of this act. In
addition, if so provided for in the proceedings authorizing the
bonds and agreed to by resolution of the board, the bonds shall be
payable also from the avails of the ad valorem tax levy as
provided for in subsection (2) of this section, or from any
combination of monies from the revenues, special assessments and
tax levies on property of the area designated under Section 3 of
this act. The bonds may be issued without an election being held
upon the question of their issuance and without the publication of
any notice of intention to issue the bonds. The board shall issue
bonds of the county by resolution spread upon the minutes of the
board. The bonds shall contain those covenants and provisions, be
executed, bear interest at the rate or rates not to exceed
fourteen percent (14%) per annum, be in the denomination or
denominations, be payable as to principal and interest, at the
place or places, and mature at the time or times not exceeding
twenty-five (25) years from their date, as determined by the board
and set forth in the resolution pursuant to which the bonds are
issued; however, any such bonds which are secured by a pledge of
special assessments in addition to a pledge of revenues shall
mature at such time or times not exceeding the time period over
which such special assessments are payable, as determined by the
board pursuant to Section 12 of this act. Notwithstanding any
provision of the general law to the contrary, any bonds and
interest coupons issued under the authority of this act shall
possess all of the qualities of negotiable instruments, and the
bonds, premium, if any, and interest thereon shall be exempt from
all state, county, municipal and other taxation under the laws of
the State of Mississippi. Any bonds issued under the authority of
this act may be refunded in the manner provided in this act upon a
finding by the board that such refunding is in the public
interest. Bonds for the betterment, improvement or extension of
roadways, streets or other facilities of the area may be included with the refunding bonds. The bonds may be sold without the necessity of advertising with the refunding bonds. The bonds may be sold without the necessity of advertising for bids therefor, and may be sold by negotiated private sale and on those terms, conditions and covenants agreed to by and between the issuing authority and the purchasers of the bonds. The total amount of bonds issued under this act shall not exceed Fifty Million Dollars ($50,000,000.00).

(2) If provided in the proceedings authorizing the issuance of the bonds and agreed to by resolution of the board to make the pledge, then when there are insufficient revenues received from special assessments authorized under this act, according to the provisions made in the proceedings authorizing the issuance of such bonds, to meet the interest or principal payments, or both, when due on any bonds issued under the authority of this act, then, the board shall levy an ad valorem tax on (a) all taxable property within the geographical limits of the area or (b) all taxable property within the geographical limits of the area which is designated pursuant to a petition under subsection (3) of Section 3 of this act, which tax, together with any other monies available for such purpose, shall be sufficient to provide for the payment of the principal of and interest on such bonds as the same falls due, and, if so provided in the proceedings for the issuance of such bonds, to replenish any reserve fund established for such bonds.

SECTION 6. The county is vested with all the powers necessary and requisite that are capable of being delegated by the Legislature for the accomplishment of the purposes of this act. No enumeration of powers in this act shall be construed to impair or limit any general grant of power contained in this act or to limit any grant of power or powers of the same class or classes as
those enumerated. The county may do all acts necessary, proper or
convenient in the exercise of the powers granted under this act.

SECTION 7. The county, acting by and through the board,
shall have the following, among other, powers:

(a) To acquire by purchase, gift, devise or lease and
to hold and dispose of real and personal property of every kind
within or without the area, including franchise rights; however,
the sale, assignment, lease or transfer of any certificate of
public convenience and necessity or utility property shall be
subject to Section 77-3-23, Mississippi Code of 1972;

(b) To make and enter into contracts, conveyances,
mortgages, deeds of trust, bonds, leases or contracts for
financial advisory services;

(c) To incur debts, to borrow money, to issue
negotiable bonds, and to provide for the rights of the holders
thereof;

(d) To fix, maintain, collect and revise rates and
charges for the services rendered by or through the facilities of
the county to the area, which rates and charges shall not be
subject to review or regulation by the Mississippi Public Service
Commission except in those instances where a municipality
operating similar services would be subject to regulation and
review; however, the county shall obtain a certificate of
convenience and necessity from the Mississippi Public Service
Commission for operating utility systems under the commission's
jurisdiction;

(e) To pledge all or any part of the revenues from
special assessments and tax revenues on real and personal property
in the area;

(f) To make such covenants in connection with the
issuance of bonds or to secure the payment of bonds that a private
business corporation can make under the general laws of the state;
(g) To use any right-of-way, easement or other similar property rights or any material or equipment necessary or convenient in connection with the acquisition, improvement, operation or maintenance of the facilities in the area held by the state or any political subdivision thereof; however, the consent of the governing body of the political subdivision shall be required before such use;

(h) To enter into agreements with state and federal agencies for loans, grants and aid, and other forms of assistance, including, but not limited to, participation of the sale and purchase of bonds, and to enter into agreements with state agencies, federal agencies and political subdivisions of the State of Mississippi pertaining to matters relating to the operation of any services of the area authorized under this act, and such state agencies and political subdivisions of the State of Mississippi may so contract with the county;

(i) To sell to any municipality or district in the county, under those terms, conditions and covenants that may be imposed or required by the county, part or all of the utility system or systems within the area; however, in the event of a sale of all of the system or systems, the municipality or district shall assume all obligations of the county relating thereto as a condition precedent to the sale;

(j) To contract with the United States of America, or any agency of the United States of America, the State of Mississippi, or any political subdivision of the State of Mississippi, or any agency, commission, authority, board or other entity thereof, or any municipality or municipalities, for any of the additional purposes authorized by Section 8 of this act;

(k) To contract with any municipality, district, person, partnership, corporation or other entity for the operation and maintenance, including billing services, of any property or
facilities of the area, upon those terms, conditions and covenants
that may be agreed upon by the contracting parties;

(l) To contract with a developer under which the
developer may construct all or any part of a project with private
funds and may be reimbursed by the county for actual costs
incurred by the developer upon issuance and delivery of the bonds
and receipt of the proceeds, conditional upon dedication of the
project by the developer to the county to assure public use and
access; and

(m) To enter into an interlocal cooperation agreement
with any political subdivision of the State of Mississippi, or any
agency, commission, authority, board or other entity thereof, or
any municipality or municipalities, whereby both agree that either
party to such agreement may be responsible for constructing,
operating and/or maintaining improvements or other facilities
included within an area.

SECTION 8. In addition to the purposes specified under
Section 5(1) of this act, the county may issue bonds of the county
in the manner provided in Section 5 of this act for any or all of
the following purposes:

(a) To refund the outstanding bonds of the county
secured by special assessments and tax revenues of the area upon a
finding by the board that such refunding is in the public
interest;

(b) To improve, better or extend roadways and streets,
including curbing, gutters, streetlights, irrigation, landscaping
and sidewalks, and the water, sewer or gas utility system or
systems and fire protection system or storm drainage systems of
the area;

(c) To purchase or acquire part or all of the utility
system or systems and fire protection system of any district or
municipality located in whole or in part in the area, including
part or all of the system or systems within the corporate
boundaries of any municipality;

(d) To provide for the payment of the principal,
premium and interest on the outstanding bonds of any district or
municipality in connection with the purchase of any facilities
located in the area;

(e) To purchase or acquire part or all of any privately
owned utility system or systems in an area;

(f) To enter into cooperative agreements with the state
or federal government, or both (reference to the state or federal
government as used in this paragraph shall include any agency of
the state or federal government); to obtain financial assistance
in the form of loans or grants as may be available from the state
or federal government, or both; and to execute and deliver at
private sale notes or bonds as evidence of the indebtedness in the
form and subject to the terms and conditions as may be imposed by
the state or federal government, or both; and to pledge the income
and revenues of the area, or the income and revenues from any part
of the land embraced in the area (which revenues in either
instance shall include, but not be limited to, revenues from
special assessments and tax revenues) in payment thereof; and the
state may enter into such agreements with the county;

(g) To purchase or acquire part or all of any utility
system or systems located in whole or in part in the area owned by
the United States of America, or any agency of the United States
of America, or the State of Mississippi, or any political
subdivision of the State of Mississippi, or any agency,
commission, authority, board or other entity thereof; and

(h) To enter into an interlocal cooperation agreement
for the purposes set forth in Section 7(m) of this act.

SECTION 9. The board, in its discretion, may exercise the
powers set forth in this act at the cost of the property owners in
the area. The board may levy and collect special assessments on
properties located in the area and may either issue negotiable
special improvement bonds of the county or pledge the receipts
from the special assessments to secure the payment of the
principal of premium, if any, and interest on any bonds authorized
under this act. Any special assessments shall be levied and
collected in the manner authorized in Sections 21-41-1 through
21-41-53, Mississippi Code of 1972, except to the extent otherwise
provided for in this act. The board may secure bonds of the
county solely from the receipts from special assessments, or may
pledge such receipts in addition to the pledge of revenues of the
county or the receipts from any tax levy authorized in this act,
or from any combination of monies from the special assessments,
revenues and tax levies.

SECTION 10. Bonds issued under this act shall be payable as
to principal and interest solely from the sources authorized by
this act. Any bonds secured by a pledge of the special
assessments authorized in Section 9 of this act shall mature at
any time or times, not exceeding twenty-five (25) years from the
date of the bonds, and may be in fully registered form or in
bearer form as determined by the board.

SECTION 11. All special assessments levied under this act
shall be payable in one or more installments over a period not in
excess of twenty-five (25) years, as determined by the board, with
interest from the date of the confirmation of the assessment at a
rate to be fixed by the board, which will produce sufficient funds
for the payment of all or a specified portion of the principal and
interest on the bonds as they mature and accrue and for fees and
expenses for a paying agent or trustee, or both, for the bonds.
The amount to be paid pursuant to such special assessments may be
limited by the board to the amounts needed for the purposes
specified in this section. Any property owner who shall not have
taken an appeal from the assessment, upon failure to pay the
assessment in full within thirty (30) days from the date of
confirmation, shall be deemed to have elected to pay the
assessment in installments as provided in this section, and he
shall be deemed to have admitted the legality of the assessment,
and the right to contest the validity of the assessment shall be
waived. The installments of the assessment shall be due and
payable at the same time that the annual real property tax becomes
due and payable, commencing with the first county tax levy which
is payable after the expiration of thirty (30) days from the date
of confirmation of the assessment.

SECTION 12. The resolution declaring the intent of the board
to proceed with the special improvements authorized by this act
may direct that all of the expenses of the property or facilities
of the area, or such part of the expenses that the board shall
charge upon the properties in the area, shall be assessed
according to the frontage rule or area rule, as outlined in this
section. Bonds may be issued for one or more projects and the
area and method of assessment for each project shall be specified
in the resolution declaring the intent of the board to proceed
with that project. The resolution declaring the intent of the
board to proceed with the special improvements shall:

(a) Define the properties in the area to be benefited
by each improvement, with each improvement being designated as a
project;

(b) Fix the amount or percentage of the charge to be
levied upon the property benefited;

(c) Designate the minimum and maximum number of years
between the date of the bonds and the maturity of those bonds;

(d) Delineate the method of determining the amount of
special assessments to be levied on each lot or parcel of land;

(e) Designate the minimum and maximum number of one or
more installments that the board may later allow for the payment
of assessments with interest on those assessments.
If the board determines that the frontage rule is the most equitable method of distributing the cost among the properties, then the resolution shall direct that the cost to be assessed against each lot or parcel of land shall be determined by dividing the entire cost to be assessed by the total number of front feet of real property abutting upon the utility easement, street, railroad or public or private right-of-way on which the project is located and which will be subject to such special assessment, and multiplying the quotient by the total number of front feet in any particular lot or parcel of land fronting on the utility easement, street, railroad or public or private right-of-way on which the project is located. The result of this formula shall be assessed against each lot or parcel of land for the owner's part of the cost of the entire improvement to be paid through special assessments.

If the board determines that the area rule is the most equitable method of distributing the cost among the properties, then the resolution shall direct that the cost to be assessed against each lot or parcel of land shall be determined by dividing the entire cost to be assessed by the total number of acres or square feet in the area being benefited and which is subject to such special assessment, and multiplying the quotient by the total number of acres or square feet in any particular lot or parcel of land. The result of this formula shall be assessed against each lot or parcel of land for the owner's part of the cost of the entire improvements to be paid through special assessments.

As provided in subsection (3) of Section 3 of this act, the property subject to assessment may be limited to property owned by landowners within an area who have petitioned the county pursuant to subsection (3) of Section 3 of this act.

SECTION 13. If the owners of a majority of the front footage of the property to be assessed under the frontage rule, or if the owners of a majority of the area of the property to be assessed...
under the area rule, as described in Section 12 of this act, file
a written protest objecting to the assessments authorized under
this act and in Section 21-41-7, Mississippi Code of 1972, then
the board shall not proceed with the special assessment.

SECTION 14. If owners of the front footage of the property
to be assessed under the frontage rule, or if the owners of the
property to be assessed under the area rule enter into a written
agreement with the county agreeing to pay the total assessments
authorized under this act and in Section 21-41-7, Mississippi Code
of 1972, then the owners of property not a party to such written
agreement shall not be obligated to pay the assessments.

SECTION 15. This act, without reference to any other
statute, shall be deemed to be full and complete authority for the
designation of the area by the county, and this act, including the
provisions of Sections 21-41-1 through 21-41-53, Mississippi Code
of 1972, which are not in direct conflict with the provisions of
this act, shall be deemed to be full and complete authority for
the issuance of bonds by the county and shall be construed as
additional and alternative methods therefor. All powers necessary
to be exercised in order to carry out the provisions of this act
are hereby conferred. No proceedings shall be required for the
designation of the area by the county or for the issuance of the
bonds other than those provided for and required in this act. Any
municipality, district or other entity located in whole or in part
in the area is authorized to sell part or all of its water, sewer
or gas or storm drainage system to the county. All the necessary
powers to be exercised by the board and the governing authorities
of any municipality or district that determines to sell part or
all of its water, sewer or gas system to the county in order to
carry out this act are hereby conferred.

SECTION 16. Any bonds issued under this act may be submitted
to validation under the provisions of Chapter 13, Title 31,

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SECTION 17. This act shall be liberally construed for the purposes set out in the act, the powers hereby granted being additional, cumulative and supplemental to any power granted to the county or any municipality therein by any general law or any local and private act of the Legislature.

SECTION 18. If any provision of this act is held to be invalid by any court of competent jurisdiction, the remainder of this act shall not be affected by that determination.

SECTION 19. This act shall take effect and be in force from and after its passage.