

By: Senator(s) Gollott, Cuevas, Lee (47th),
Dawkins, Hewes

To: Local and Private;
Finance

SENATE BILL NO. 3138

1 AN ACT TO AUTHORIZE THE MISSISSIPPI COAST TRANSPORTATION
2 AUTHORITY TO BORROW MONEY IN AN AMOUNT NOT TO EXCEED \$6,000,000.00
3 FOR THE DEVELOPMENT OF INTERMODAL FACILITIES; AND FOR RELATED
4 PURPOSES.

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

6 **SECTION 1.** It is hereby determined and declared that for the
7 benefit of the people of the City of Gulfport, the City of Biloxi,
8 Harrison County and the surrounding area, the increase of their
9 commerce, welfare and prosperity and the improvement and
10 maintenance of their economic and living conditions, it is
11 essential that the people of the area have access to adequate and
12 affordable public transportation, and it is beneficial that the
13 provider of public transportation in the area, Coast Transit
14 Authority, be allowed to finance the development of its intermodal
15 facilities and to lease portions of the facilities. It is the
16 purpose of this act to increase revenue and financial resources
17 for the public transportation system provided by Coast Transit
18 Authority, all for the public benefit and good. This act shall be
19 liberally construed for the purposes enumerated in this section.

20 **SECTION 2.** As used in this act:

21 (a) "Authority" means the Mississippi Coast
22 Transportation Authority, doing business as Coast Transit
23 Authority.

24 (b) "Governing body" means the Board of Commissioners
25 of Coast Transit Authority.

26 (c) "Project" means structures, facilities, machinery,
27 equipment and/or other property necessary for the development and
28 use of intermodal facilities and, in connection with the

29 operations or proposed operations of the facilities, including,
30 but not limited to, the development, build-out, lease and related
31 expenses for commercial and/or retail lease space in or on the
32 intermodal facilities; or any combination of the foregoing or
33 other facilities necessary to the operation of the intermodal
34 facilities or for the refunding of any debt incurred for the same
35 purposes.

36 **SECTION 3.** The authority is granted the following powers and
37 authority, together with all powers and authority incidental
38 thereto or necessary for the performance of those powers and
39 authority, in order to effectuate the purposes of this act:

40 (a) To improve, maintain, extend, equip, develop and
41 furnish one or more projects by purchase, construction, exchange,
42 gift, lease or otherwise, including all real and personal
43 properties which the authority may consider necessary in
44 connection with a project, regardless of whether the project is
45 then in existence;

46 (b) To lease to an individual, business, partnership,
47 corporation, governmental entity, or other legal entity, one or
48 more projects, or portions thereof, upon such terms and conditions
49 as the governing body shall deem proper, and to charge and collect
50 rent and to terminate any lease upon the failure of the lessee to
51 comply with any of the obligations of the lease, and to include in
52 any such lease, if desired, provisions that the lessee shall have
53 options to renew the term of the lease for such period or periods
54 and at such rent as shall be determined by the authority;

55 (c) To borrow money for the purpose of carrying out any
56 of its powers and authority under this act; and

57 (d) To mortgage and pledge any or all of the projects
58 or any part or parts of a project, whether then owned or
59 thereafter acquired, and to pledge the revenues and receipts
60 therefrom, and to assign and pledge all or any part of its
61 interest in and rights under the lease of a project, as security

62 for the payment of the principal and interest on any money
63 borrowed by the authority and any agreements made in connection
64 with the borrowing of money.

65 **SECTION 4.** The principal amount of money borrowed by the
66 authority under the provisions of this act shall not exceed an
67 outstanding indebtedness of Six Million Dollars (\$6,000,000.00).

68 **SECTION 5.** The authority is authorized and empowered to
69 borrow money under the provisions of this act and, in addition,
70 the authority is authorized to borrow money by entering into loan
71 agreements with lending institutions and by issuing its negotiable
72 promissory notes secured by a project or any portion of a project,
73 whether then owned or thereafter acquired, and to pledge the
74 revenues and receipts from a project, and by all or any part of
75 its interest in and rights under the leases of a project. The
76 term of the negotiable promissory notes shall not be more than
77 fifteen (15) years. The authority provided by this act to borrow
78 money shall be in addition to the power of the authority to borrow
79 money or issue bonds as otherwise provided by law.

80 **SECTION 6.** The principal and interest of any money borrowed
81 under this act shall be payable solely out of, and shall be
82 secured only by a pledge of the revenues and receipts derived from
83 a project, as may be designated in the proceedings of the
84 governing body under which the money is borrowed, including debt
85 obligations of the lessee obtained from or in connection with the
86 financing of a project, and from such other sources available to
87 the lessee as may be designated by the governing body in its
88 proceedings in connection with the borrowing of the money. The
89 proceeds of the money borrowed under this act may be used for the
90 purpose of constructing, acquiring, reconstructing, improving,
91 equipping, furnishing, bettering, extending and/or financing any
92 projects, including the payment of interest on the principal
93 amount of money borrowed during construction of any such project
94 and for six (6) months after the estimated date of completion; the

95 payment of engineering, fiscal, architectural and legal expenses
96 incurred in connection with a project; the borrowing of money; the
97 establishment of a reserve fund for the payment of principal of
98 and interest on money borrowed in the event of a deficiency in the
99 revenues and receipts available for payments; and/or the payment
100 of start-up costs and costs of operation and maintenance of any
101 project during construction and for a maximum of one (1) year
102 after completion of construction.

103 Proceeds of the money borrowed under this act may be invested
104 in direct obligations of, or obligations the principal of and
105 interest of which are guaranteed by the United States government,
106 or obligations of any agency or instrumentality of the United
107 States government, or in certificates of deposit issued by a bank
108 or trust company located in the State of Mississippi if the
109 certificates of deposit are secured by a pledge of any obligations
110 having an aggregate market value, exclusive of accrued interest,
111 equal at least to the principal amount of the certificates of
112 deposit so secured.

113 **SECTION 7.** The authority is authorized to enter into lease
114 agreements and related agreements for the use of projects or any
115 portion of projects and may negotiate and enter into the
116 agreements without compliance with the requirements for leasing
117 real property found in Section 21-17-1(2), Mississippi Code of
118 1972.

119 **SECTION 8.** This act shall take effect and be in force from
120 and after its passage.