

By: Representative Calhoun

To: Local and Private
Legislation

HOUSE BILL NO. 1669

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 JACKSON, MISSISSIPPI, TO CREATE SPECIAL LOCAL IMPROVEMENT
3 ASSESSMENT DISTRICTS; TO AUTHORIZE THE LEVY OF AN ASSESSMENT OF UP
4 TO SIX MILLS ON TAXABLE REAL PROPERTY LOCATED WITHIN SUCH
5 ASSESSMENT DISTRICTS; TO PROVIDE FOR THE DUTIES AND POWERS OF SUCH
6 ASSESSMENT DISTRICTS; TO REQUIRE THE DISSOLUTION OF SUCH
7 ASSESSMENT DISTRICTS UNDER CERTAIN CIRCUMSTANCES; TO SPECIFY THE
8 USE FOR THE PROCEEDS OF THE SPECIAL ASSESSMENT; TO ALLOW SUCH
9 DISTRICTS TO LEVY LESS THAN THE MAXIMUM ALLOWABLE ASSESSMENT LEVY;
10 TO AUTHORIZE THE ISSUANCE OF BONDS BY THE MUNICIPALITY THAT HAS
11 CREATED A SPECIAL LOCAL IMPROVEMENT ASSESSMENT DISTRICT UNDER THIS
12 ACT; TO PROVIDE THAT BONDS ISSUED BY THE MUNICIPALITY UNDER THIS
13 ACT SHALL BE PAYABLE OUT OF THE PROCEEDS OF THE SPECIAL ASSESSMENT
14 AUTHORIZED UNDER THIS ACT; TO AUTHORIZE THE DELEGATION OF CERTAIN
15 AUTHORITY UNDER THIS ACT; TO PROVIDE THAT BONDS ISSUED UNDER THIS
16 ACT SHALL BE LEGAL INVESTMENTS; TO PROVIDE THAT BONDS ISSUED BY
17 THE MUNICIPALITY UNDER THIS ACT SHALL BE EXCLUDED FROM THE
18 MUNICIPALITY'S DEBT LIMITATION; AND FOR RELATED PURPOSES.

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

20 **SECTION 1.** For the purposes of Sections 1 through 13 of this
21 act, the following words and phrases shall have the meanings
22 ascribed herein unless the context clearly indicates otherwise:

23 (a) "County" means Hinds County, Mississippi.

24 (b) "Homeowners' Association" means a homeowners'
25 association duly organized as a nonprofit organization with tax



26 exempt status under Section 501(c)(3) of the Internal Revenue
27 Code.

28 (c) "Issuing authority" means the governing authorities
29 of the City of Jackson, Mississippi, or any urban renewal agency
30 or redevelopment authority within such municipality having
31 authority to issue bonds pursuant to Sections 1 through 13 of this
32 act.

33 (d) "Local improvements" means (i) any improvements
34 constructed within a special local improvement assessment district
35 or services established under Sections 1 through 13 of this act to
36 improve the appearance or functioning of property located within
37 the district including, but not limited to, parks and related
38 facilities, sidewalks, streets, street curbing, street medians,
39 planting areas, walls, lighting equipment, fountains and
40 flagpoles; (ii) trees, shrubs, flowers and other vegetation; (iii)
41 security enhancements including, but not limited to, cameras,
42 radios, monitors and related equipment; (iv) private patrol
43 services; (v) the acquisition, rehabilitation and sale of property
44 in a special local improvement assessment district; and (vi) any
45 expenditures made in conjunction with the improvements set forth
46 above such as the removal and relocation of utility service or
47 purchase and removal of signs.

48 (e) "Municipality" means the City of Jackson,
49 Mississippi.



50 (f) "Special local improvement assessment district"
51 means a district established pursuant to Section 2 of this act and
52 may be comprised of either residential or nonresidential real
53 property. Nonresidential real property located within or
54 immediately adjacent to a special local improvement assessment
55 district comprised of residential real property may be included
56 within such special local improvement assessment district by a
57 request submitted in writing by the owner of such nonresidential
58 property to the governing authorities of the municipality.
59 Residential real estate property located within or immediately
60 adjacent to a special local improvement assessment district
61 comprised of nonresidential real property may be included within
62 such special local improvement assessment district by a request
63 submitted in writing by the owner of such residential property to
64 the governing authorities of the municipality.

65 (g) "State" means the State of Mississippi.

66 **SECTION 2.** (1) (a) The governing authorities of the
67 municipality are authorized to establish one or more special local
68 improvement assessment districts and to levy and collect an annual
69 special assessment not to exceed six (6) mills against only that
70 taxable real property that is included within each such district,
71 provided that such a special assessment shall not be levied or
72 collected unless the governing authorities (i) shall have adopted
73 a resolution designating an area a special local improvement
74 assessment district and specifying the maximum millage to be



75 levied on taxable real property in the district under this
76 section, and (ii) has received a petition in favor of the levy of
77 such assessment signed by the owners of at least sixty percent
78 (60%) of the taxable real property in the proposed district. For
79 purposes of this subsection, "owners" means those persons
80 possessing a majority of the ownership interest in a piece of
81 taxable real property.

82 (b) Such special assessment shall be excluded from the
83 limitations imposed under Section 27-39-321, Mississippi Code of
84 1972. Before adopting such resolution, the governing authorities
85 shall hold a public hearing with respect thereto after public
86 notice by publication at least twice, once a week for two (2)
87 consecutive weeks in a newspaper of general circulation in the
88 municipality, with the first publication being not less than
89 fourteen (14) calendar days before the date specified for such
90 hearing, such notice to include the date, time and place of such
91 hearing, the proposed boundaries of such special local improvement
92 assessment district and the maximum special assessment to be
93 levied on property in such district under this section.

94 (c) The boundaries of the special local improvement
95 assessment district shall not be modified and special assessments
96 shall not be levied in excess of the maximum set forth in such
97 resolution, unless:

98 (i) The governing authorities shall have amended
99 such resolution to reflect such modifications in the boundaries



and assessment;

(ii) The governing authorities have received a petition in favor of the levy of the special assessment signed by owners of at least seventy percent (70%) of the taxable real property within the modified boundaries of the district; and

(iii) A public hearing is held as provided in subsection (2) of this section. Any special local improvement assessment district established under Sections 1 through 13 of this act may include any real property located within the corporate boundaries of the municipality.

(2) (a) As an alternative to the procedure provided in subsection (1) of this section, a special local improvement assessment district may be created under this subsection (2) if the boundaries of the proposed special local improvement assessment district are within the boundaries of the homeowners' association representing that area. Upon delivery of a petition to the clerk of the municipality in which the proposed district is located, signed by the owners of at least sixty percent (60%) of the taxable real property in the homeowners' association representing the area in the proposed district, the municipality shall begin efforts to establish the district. Within fifteen (15) days after receipt of such a petition, the clerk of the municipality shall mail ballots to all of the property owners in the proposed special local improvement assessment district providing for a referendum on the issue of creating the district.



125 The ballot shall clearly state the issue to be decided and shall
126 indicate the date by which the ballot must be returned to the
127 clerk of the municipality, which date may not be later than thirty
128 (30) days after the date the clerk mailed the ballots. The
129 governing authorities of the municipality shall adopt a resolution
130 creating the special local improvement assessment district if on
131 or before the last day fixed for the return of ballots, the owners
132 of at least sixty percent (60%) of the taxable real property in
133 the proposed special local improvement assessment district vote in
134 favor of creating the district. The resolution shall contain a
135 description of the boundaries of the district and shall specify
136 the maximum millage rate to be levied upon taxable real property
137 in the district for the municipality's fiscal year.

138 (b) The homeowners' association representing the
139 property owners in the special local improvement assessment
140 district shall submit a plan to the municipality specifying the
141 local improvements proposed for the district during the
142 municipality's upcoming fiscal year and the total amount proposed
143 to be expended for the improvements. The governing authorities of
144 the municipality shall levy a special assessment not to exceed six
145 (6) mills upon all taxable real property in the district to
146 provide funds for the local improvements.

147 (c) The procedures required in this subsection (2) for
148 the establishment of a district shall be used for the modification
149 of the boundaries of a district.



150 **SECTION 3.** (1) (a) Upon the adoption of a resolution

151 establishing a special local improvement assessment district as
152 set forth under Section 2(1) of this act, the governing
153 authorities of the municipality shall be authorized to exercise
154 the following powers within any special local improvement
155 assessment district:

156 (i) To provide for the planning and design of
157 local improvements and the coordination of landscape design on
158 different parcels of property, including the preparation of
159 working drawings for the construction, acquisition and
160 installation of local improvements;

161 (ii) To purchase, acquire, install and construct
162 local improvements;

163 (iii) To purchase and acquire easements, air
164 rights, scenic rights-of-way and other interests in land on which
165 local improvements can be placed and which are necessary or
166 desirable in connection with any local improvements;

167 (iv) To provide for the management of local
168 improvements, including, but not limited to, providing maintenance
169 and services within the district; and

170 (v) To contract with a nonprofit local association
171 duly incorporated under the laws of the State of Mississippi to
172 undertake all or a portion of the activities within the special
173 local improvement assessment district.



174 (b) A special local improvement assessment district
175 created under Section 2(1) of this act shall be dissolved by
176 resolution of the governing authorities of the municipality if all
177 activities for which such district was established have been
178 completed and no debts incurred in connection with such activities
179 are outstanding.

180 (2) (a) Upon the adoption of a resolution establishing a
181 special local improvement assessment district as set forth under
182 Section 2(2) of this act, the homeowners' association representing
183 the property area in the district shall be authorized to exercise
184 the following powers within the special local improvement
185 assessment district:

186 (i) To provide for the planning and design of
187 local improvements and the coordination of landscape design on
188 different parcels of property, including the preparation of
189 working drawings for the construction, acquisition and
190 installation of local improvements;

191 (ii) To purchase, acquire, install and construct
192 local improvements;

193 (iii) To purchase and acquire easements, air
194 rights, scenic rights-of-way and other interests in land on which
195 local improvements can be placed and which are necessary or
196 desirable in connection with any local improvements;

197 (iv) To provide for the management of local
198 improvements, including, but not limited to, providing maintenance



199 and services within the district; and

200 (v) To contract with a nonprofit local association
201 duly incorporated under the laws of the State of Mississippi to
202 undertake all or a portion of the activities within the district.

203 (b) A special local improvement assessment district
204 established under Section 2(2) of this act that has satisfied all
205 indebtedness incurred in connection with activities of the
206 district may be dissolved by following the petition and ballot
207 procedures provided for the establishment of the district in
208 Section 2(2) of this act.

209 **SECTION 4.** (1) The proceeds of any special assessment
210 levied on real property located within a special local improvement
211 taxing district under Section 2(1) of this act may be used to pay
212 costs, including administrative costs, of and relating to
213 exercising the powers set forth in Section 3(1) of this act.
214 Nothing stated herein shall prevent the use of such special
215 assessment for the purpose of planning and design of local
216 improvements for any property located within a district and the
217 coordination of landscape design on different parcels of property.

218 (2) (a) The proceeds of any special assessment levied
219 on real property located within a special local improvement
220 assessment district under Section 2(2) of this act may be used to
221 pay costs, including administrative costs, of and relating to
222 exercising the powers set forth in Section 3(2) of this act.
223 Further, the proceeds of any special assessment, as described



under this subsection, shall be attained by a homeowners' association representing the area in a district created under Section 2(2) of this act after the following occurs:

(i) If the county collects the special assessment levied on real property located within a special local improvement district for the municipality, then the municipality shall disburse the proceeds to a homeowners' association within twenty-one (21) days after the assessment is collected from the county; or

(ii) If the municipality collects the special assessment levied on real property located within a special local improvement district, then the municipality shall disburse to a homeowners' association the proceeds of such assessment by the 20th of the next month after such assessment is collected.

Notwithstanding the disbursement as prescribed under this subsection, the municipality shall retain any funds that are obligated to pay debt service for bonds issued under the provisions of Sections 1 through 13 of this act.

(b) A homeowners' association shall keep the proceeds of such assessment separate and apart from other funds of the association. Accounting for receipts and expenditures of proceeds from the assessment shall be made separately and apart from the accounting of receipts and expenditures of the homeowners' association for other funds of the district. The homeowners' association shall have its books and records audited annually by



an independent certified public accountant and shall file a written report of the audit with the clerk of the municipality. The clerk of the municipality shall make the report of the audit available for public review. A special local improvement assessment district shall operate on the same fiscal year as the municipality.

(c) Nothing in this subsection (2) shall prevent the use of such special assessment for the purpose of planning and design of local improvements for any property located within a district and the coordination of landscape design on different parcels of property.

SECTION 5. (1) (a) The governing authorities of the municipality exercising the authority to levy a special assessment as set forth in Section 2(1) of this act shall levy such assessment at the maximum rate specified in the resolution provided for in Section 2(1) of this act against all property in such special local improvement assessment district unless a lesser rate will provide revenues sufficient to pay debt service on all bonds payable from such assessment and to pay costs of exercising the powers authorized pursuant to Section 3(1) of this act, and if the municipality has delegated to an urban renewal agency or redevelopment authority any of its authority under this act, the governing authorities of such urban renewal agency or redevelopment authority shall have certified to the municipality that a lesser assessment rate will be sufficient to make such



payments, in which event the governing authorities of the municipality shall levy such assessment at such lesser rate.

(b) The governing authorities may also enter into agreements for the benefit of holders of bonds issued by an urban renewal agency or redevelopment authority of the municipality pursuant to Section 6 of this act including, without limitation, agreements limiting or restricting issuance of bonds by the municipality which would be payable from such special assessment, to the extent that such governing authorities shall determine that such agreements are necessary or desirable in connection with the issuance of bonds by an urban renewal agency or redevelopment authority pursuant to Section 6 of this act.

(2) The governing authorities of the municipality exercising the authority to levy a special assessment as set forth in Section 2(2) of this act shall levy such assessment at the maximum rate specified in the resolution provided for in Section 2(2) of this act against all taxable property in such special local improvement assessment district unless a lesser rate will provide revenues sufficient to pay the costs of improvements included in the plan submitted to the municipality under Section 2(2)(b) of this act.

SECTION 6. The governing authorities of the municipality that has elected to exercise the authority to establish special local improvement assessment districts as provided in Section 2(1) of this act and the governing authority of any urban renewal agency or redevelopment authority to which authority under this



299 act shall have been delegated, are authorized, in their
300 discretion, to issue bonds for the purpose of (a) defraying any
301 costs described in Section 3 of this act; (b) refunding
302 outstanding bonds; (c) paying costs relating to the issuance of
303 such bonds; and (d) establishing any reserve funds determined to
304 be appropriate. Such bonds may be issued without an election
305 thereon upon the adoption of a resolution by the governing
306 authority of the issuing authority. Such bonds shall not be
307 subject to any limitation as to amount and shall not be included
308 in computing the statutory limitation of indebtedness of such
309 issuing authority under any present or future law. Such bonds
310 shall bear such date or dates, shall be of such denomination or
311 denominations, shall bear interest at such rate or rates as shall
312 be approved by the issuing authority, shall be payable at such
313 place or places within or without the State of Mississippi, shall
314 mature at such time or times and upon such terms and may be made
315 redeemable prior to maturity with or without premium, shall bear
316 such registration privileges and shall be in substantially such
317 form as shall be determined by resolution of the governing
318 authority of such issuing authority. Any bonds issued under
319 Sections 1 through 13 of this act may be sold at public or private
320 sale at such price as may be determined by the governing
321 authorities. Such bonds shall be executed by the manual or
322 facsimile signature of the official or officials of such issuing
323 authority which have been designated by the governing authorities,



with the seal of the issuing authority affixed thereto or reproduced thereon. Whenever such bonds shall have been signed by the officials designated to sign the same who were in office at the time of such signing but who may have ceased to be such officials prior to the date of the sale and delivery of such bonds, or who may not have been in office on the date such bonds may bear, the signatures of such officials upon such bonds shall nevertheless be valid and sufficient for all purposes and have the same effect as if the person so officially signing such bonds had remained in office until the delivery of the same to the purchaser or had been in office on the date such bonds may bear.

SECTION 7. Bonds issued under the provisions of Sections 1 through 13 of this act shall be payable, both as to principal and interest, solely out of such special assessments levied pursuant to Section 2 of this act, and any contributions received by the issuing authority for such purpose, as shall be specified in the resolution authorizing issuance of such bonds, and the full faith and credit of the issuing authority shall not be pledged therefor, and such fact shall be recited on the face of each bond.

SECTION 8. The governing authorities of the municipality that has established a special local improvement assessment district under Section 2(1) of this act, by resolution or order adopted by such governing body, may delegate the other authority granted under Sections 1 through 13 of this act, including the authority to plan, construct and maintain local improvements



pursuant to Section 3 of this act and the authority to issue bonds pursuant to Section 6 of this act, to the urban renewal agency or the redevelopment authority of the municipality. If such authority has been so delegated hereunder and thereafter exercised, then any assessments levied hereunder shall be paid, upon receipt by the municipality, to the entity to which such authority has been delegated.

SECTION 9. The municipality that has formed a special local improvement assessment district under the authority of Section 2(1) of this act, any urban renewal agency or redevelopment authority which has been delegated authority under Sections 1 through 13 of this act, and any homeowners' association representing the area in a district established under Section 2(2) of this act, may accept and expend contributions from any other sources and apply such contributions to any of the purposes set forth in Sections 1 through 13 of this act.

SECTION 10. (1) A resolution issuing bonds in compliance with Sections 1 through 13 of this act may include any covenants which the governing authorities deem necessary to make such bonds secure and marketable, including, but without limitation, covenants regarding the application of the bond proceeds; the pledging, application and securing of special assessments; the creation and maintenance of reserves; covenants to levy special assessments; covenants to enforce agreements; the investment of funds; the issuance of additional bonds; the terms and conditions



upon which bondholders may exercise their rights and remedies; the replacement of lost, destroyed or mutilated bonds; the definition, consequences and remedies of an event of default; and the appointment of a receiver in the event of a default.

(2) All assessments or other revenues pledged to the payment of such bonds shall be subject to a lien in favor of the holders of such bonds, and all such assessments received by the issuing authority, or the municipality if such bonds shall have been issued by a redevelopment authority or an urban renewal agency shall be immediately subject to such lien without any physical delivery thereof or further act by the issuing authority, and such lien shall be effective as against all parties asserting claims against the issuing authority or municipality, whether by way of tort, contract or otherwise, whether or not such parties may have had notice of such lien. Such pledge or trust agreement creating the same need not be filed or recorded except in the official minutes of the issuing authority.

(3) The state does hereby covenant with the holders of any such bonds that it will not, while any such bonds shall be outstanding, limit or diminish the right and power of the municipality to levy the special assessments authorized by Sections 1 through 13 of this act, or the right and power of the municipality, urban renewal agency or redevelopment authority to fulfill any covenants with or for the benefit of such bondholders.



398 **SECTION 11.** Bonds issued under the provisions of Sections 1
399 through 13 of this act shall be legal investments for commercial
400 banks, savings and loan associations and insurance companies
401 organized under the laws of this state.

402 **SECTION 12.** Sections 1 through 13 of this act, without
403 reference to any statute not referred to herein, shall be deemed
404 to be full and complete authority for the issuance of bonds, and
405 shall be construed as an additional and alternative method
406 therefor, and none of the present restrictions, requirements,
407 conditions or limitations of law applicable to the issuance or
408 sale of bonds, notes or other obligations by issuers in this state
409 shall apply to the issuance and sale of bonds under Sections 1
410 through 13 of this act, and no proceedings shall be required for
411 the issuance of bonds other than those provided for and required
412 herein, and all powers necessary to be exercised in order to carry
413 out the provisions of Sections 1 through 13 of this act are hereby
414 conferred.

415 **SECTION 13.** The bonds authorized by Sections 1 through 13 of
416 this act and the income therefrom shall be exempt from all
417 taxation in the State of Mississippi.

418 **SECTION 14.** This act shall be repealed from and after July
419 1, 2027.

420 **SECTION 15.** This act shall take effect and be in force from
421 and after its passage.

