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**SENATE RESEARCH OFFICE**

 **2015 Session – Bill Summary April 2, 2015**

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| **Bill:**   | SB 4 | **Sponsor:** Senator Gooch of the 51st and others |
| **Version:** SB 4/HCSFA | **Amends:**  Titles 36 and 50 |
| **Status:**  As Passed | **Committee:** Economic Development |

**Surface Transportation Projects in Urban Redevelopment Areas**

**SUMMARY**

* Expands urban redevelopment efforts, including utilization of public and private resources, to surface transportation projects;[[1]](#footnote-1)
* Streamlines contracting with private enterprises for the completion of surface transportation projects;
* Provides for methods of procurement for surface transportation projects in urban redevelopment areas.

**ANALYSIS**

Current law provides that certain projects or uses of land may qualify as rehabilitation or conservation in an urban redevelopment area,[[2]](#footnote-2) also referred to as a “slum.” Such stipulated uses of land may qualify for public and private funding for the purpose of combating the development or spread of slums.

This bill expands the number of projects included as “rehabilitation” and/or “conservation” projects, to include the acquisition of real property for the purpose of providing land for surface transportation projects. Transit facilities and improvements, sidewalks, streetscapes, trails, and bicycle facilities are also added to the list of improvement projects that satisfy the urban redevelopment provisions of this chapter. In addition, surface transportation projects shall be an includable program for utilizing public and private resources to combat the development or spread of slums.

To maximize private enterprise’s role in rehabilitating urban redevelopment areas, this bill establishes guidelines applicable to contracts and agreements for surface transportation projects entered into pursuant to this chapter. Such guidelines provide for:

* creation of an urban redevelopment agency empowered to evaluate projects;
* the process to request solicitations for projects from the private sector, evaluation criteria of responses, and selection of one or more respondents in an open and public meeting;
* uniform contract terms;
* dispute resolution; and
* the prohibition of interest conflicts among public employees and private entities.

This bill deletes current law regarding the sale of revenue bonds pursuant to an urban redevelopment project, and aligns the issuance and validation of such bonds with those procedures set forth in Article 3 of Chapter 82.[[3]](#footnote-3)

Committee of Conference Report on SB 4 (LC 39 1074S) makes four major changes to SB 4 as passed by the House (SB 4/HCSFA):

* Includes a new section dictating that liens filed for taxes, fees, or assessments levied for projects in a special district (pursuant to Code section 36-42-16) have the same priority as municipal liens;
* Restricts the application of the “Surface transportation projects” (as defined) to Beltline projects;
* Restores silence on the issue of parties’ responsibility for paying for the relocation of a utility, ostensibly, leaving the matter up to contractual arrangement or agreement by the parties;
* Exempts trade secrets, private financial data, and private financial plans from public disclosure during and after the project bidding and selection process. (This was included in SB 4/HCSFA but was absent in LC 39 0911S, the version that passed the Senate);
* Provides for the formation of a metropolitan planning process for the Atlanta Urbanized Area and Atlanta Air Quality region*. This language is taken directly from House Bill 433*. (This was included in SB 4/HCSFA but was absent in LC 39 0911S, the version that passed the Senate).
1. “Surface transportation project” means, in part, a project for public improvement which is planned to impact 10,000 or more acres and at least ten transit miles. [↑](#footnote-ref-1)
2. “Urban redevelopment area” means a slum area which has been designated as appropriate for an urban redevelopment project. [↑](#footnote-ref-2)
3. Such procedures include: a maturity date not to exceed 40 years; an interest rate not to exceed 9 percent per annum; issuance in one or more series; and others. Code Sections 36-82-64 and 36-82-65. [↑](#footnote-ref-3)