

Senate Development Authority Study Committee Friday, July 22, 2022

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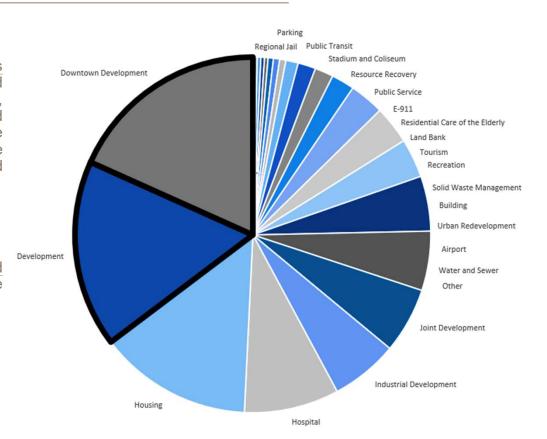
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Discussion Outline and Overview

- All Authority Types and Creation Methods
- Statutory Reporting Requirements
- Executive Summary of Study Committee Data
- Supporting Documents and Supplemental Materials

All Local Government Authorities

- "The revitalization and redevelopment of the central business districts of the municipal corporations of this state develop and promote for the public good and general welfare trade, commerce, industry, and employment opportunities and promote the general welfare of this state by creating a climate favorable to the location of new industry, trade, and commerce and the development of existing industry, trade, and commerce within the municipal corporations of this state...."
 - · O.C.G.A. 36-42-2
- "The <u>development of trade</u>, <u>commerce</u>, <u>industry</u>, <u>and employment opportunities</u> being a public purpose vital to the welfare of the people of this state..."
 - · Georgia Constitution Article IX, Sec. VI, Para. III



Overview of Local Government Authorities

- Authorities are/were created in three ways:
 - Constitutional Amendment
 - Local Law (Local Act of General Assembly)
 - General Enabling Act (Statutory)
- There are now 12 types of Local Government Authorities which can be created by general enabling state law:
 - Development Authority*
 - Downtown Development Authority
 - Hospital Authority
 - Housing Authority
 - Joint Development Authority
 - Recreation Authority

- Regional Industrial Development Authority**
- •Regional Jail Authority
- •Regional Solid Waste Management Authority
- •Residential Care Facilities for the Elderly Authority
- •Resource Recovery Development Authority
- •Urban Residential Finance Authority (municipalities over 350,000)

Authority Reporting Requirements

- Local Government Authorities Registration Act O.C.G.A. 36-80-16
 - 1995 Legislative Session
 - Type, Citation, Creation Method, Member Governments, Board Members, Staff
- Local Authority Financial Reporting O.C.G.A. 36-81-8
 - Uniform Chart of Accounts based
 - Assets, Liabilities, Revenues, Expenses, Bonds, Capital Leases
- House Bill 257
 - Consolidated Annual Registration and Finance Reporting starting with FY2018
 - Due within six months of Authority's fiscal year end
- Compliance
 - Authorities may not incur debt or credit obligations unless/until registered
 - Authorities may not access DCA programs unless/until registered

Table 1. Method of Creation

Counts of registered development, downtown development, industrial development, joint development, and payroll development authorities by reported method of creation.

Authority Type	General Statute	Local Constitutional Amendment	Local Law	Unknown	Grand Total
Development	155	29	15	7	206
Downtown Development	199	11	13	8	231
Industrial Development	29	30	5	2	66
Joint Development	64	1	3	-	68
Payroll Development	-	4	-	-	4
Grand Total	447	75*	36*	17*	575

^{*}A review of reports indicated some confusion on the definitions of each method of creation. While some adjustments were made for accuracy, we expect there is still an overestimation of the true number of authorities created by local constitutional amendment and local law.

Table 2. Year of Creation

Counts of registered authorities created in the last six years by type.

Year	Development	Downtown Development	Joint Development	Grand Total
2017	3	4	1	8
2018	3	4	1	8
2019	-	2	-	2
2020	2	1	2	5
2021	1	2	1	4
2022	-	1	-	1
Grand Total	9	14	5	28

Table 3. Board and Staff Information (FY2020)

Authorities report names, terms, and training status of board members, number of full and part-time employees, and if the authority has a full-time executive director. The training varies but is most commonly through CVIOG, GMA/ACCG, or Seyfarth Shaw.

	Average Percent of Board with Training Completed		
7.04	77%	2.31	40%

Table 4. Financials (FY2020)

Authorities submit financial information including revenues, expenditures, assets, and debts as part of their annual report. Total non-current assets and total operating revenues are an average for each authority of the below type. Active bond issuances and capital leases are statewide totals for registered authorities in FY2020.

Authority Type	Average Total Non- Current Assets	Average Total Operating Revenues	Sum of Active Bond Issues	Sum of Active Capital Leases
Development	\$8,551,315	\$497,486	91	6
Downtown Development	\$1,978,121	\$85,246	27	2
Industrial Development	\$6,006,992	\$592,265	19	3
Joint Development	\$5,676,668	\$209,811	7	0
Payroll Development	\$4,766,392	\$298,723	1	0
Grand Total	\$5,654,308	\$338,506	145	11