

VIRGINIA ACTS OF ASSEMBLY -- 1994 SESSION

CHAPTER 317

An Act to amend and reenact §§ 15.1-25 and 15.1-1378 of the Code of Virginia, relating to donations and gifts by local governments and powers of industrial development authorities.

[S 227]

Approved April 5, 1994

Be it enacted by the General Assembly of Virginia:

1. That §§ 15.1-25 and 15.1-1378 of the Code of Virginia are amended and reenacted as follows:

§ 15.1-25. Same; organizations providing housing for the elderly; hospitals; voluntary fire-fighting organizations; nonprofit lifesaving organizations or rescue squads; nonprofit recreational and historical associations; chambers of commerce; industrial development authorities.

The governing bodies of counties, cities and towns are authorized to make gifts and donations of property, real or personal, or money to be appropriated from their respective treasuries, to any charitable institution or nonprofit or other organization, providing housing for persons sixty years of age or older, conducting a hospital, and to any association or other organization furnishing voluntary fire-fighting services, and to any nonprofit lifesaving crew or lifesaving organization, or rescue squad, within or without the boundaries of the respective counties, cities and towns, and to nonprofit recreational associations or organizations; provided the nonprofit recreational association or organization is not controlled in whole or in part by any church or sectarian society. Donations of property or money to any such charitable, nonprofit or other hospital, institution or organization or nonprofit recreational associations or organizations may be made for construction purposes, for operating expenses, or both.

A county, city or town may make like gifts and donations to chambers of commerce which are nonprofit and nonsectarian.

A county, city or town may make like gifts, donations and appropriations of money to industrial development authorities for the purposes of promoting economic development.

Such governing bodies are authorized to make like gifts and donations from their treasuries to any and all public and private nonprofit organizations and agencies engaged in commemorating historical events.

All such gifts and donations made prior to March 5, 1959, are validated hereby.

As used in this section "hospital" is defined as any facility for the care and treatment of sick persons and includes nursing homes.

§ 15.1-1378. Powers of authority.

The authority shall have the following powers together with all powers incidental thereto or necessary for the performance of those hereinafter stated:

1. To sue and be sued and to prosecute and defend, at law or in equity, in any court having jurisdiction of the subject matter and of the parties;

2. To adopt and use a corporate seal and to alter the same at pleasure;

3. To contract and be contracted with;

4. To acquire, whether by purchase, exchange, gift, lease or otherwise, and to improve, maintain, equip and furnish one or more authority facilities including all real and personal properties which the board of directors of the authority may deem necessary in connection therewith and regardless of whether or not any such facilities shall then be in existence;

5. To lease to others any or all of its facilities and to charge and collect rent therefor and to terminate any such lease upon the failure of the lessee to comply with any of the obligations thereof; and to include in any such lease, if desired, a provision that the lessee thereof shall have options to renew such lease or to purchase any or all of the leased facilities, or that upon payment of all of the indebtedness of the authority it may lease or convey any or all of its facilities to the lessee thereof with or without consideration;

6. To sell, exchange, donate, and convey any or all of its facilities or properties whenever its board of directors shall find any such action to be in furtherance of the purposes for which the authority was organized;

7. To issue its bonds for the purpose of carrying out any of its powers including specifically, but without intending to limit any power conferred by this section or this chapter, the issuance of bonds to provide long-term financing of any pollution control facility, whether any such facility was constructed prior to or after the enactment hereof or the receipt of a commitment from an authority to undertake financing pursuant hereto, unless the major part of the proceeds of such bonds will be used to redeem any prior long-term financing of such facility other than financings pursuant to this chapter or any similar law;

8. As security for the payment of the principal of and interest on any bonds so issued and any agreements made in connection therewith, to mortgage and pledge any or all of its facilities or any part

or parts thereof, whether then owned or thereafter acquired, and to pledge the revenues therefrom or from any part thereof or from any loans made by the authority;

9. To employ and pay compensation to such employees and agents, including attorneys, as the board of directors shall deem necessary in carrying on the business of the authority;

10. To exercise all powers expressly given the authority by the governing body of the municipality which established the authority and to establish bylaws and make all rules and regulations, not inconsistent with the provisions of this chapter, deemed expedient for the management of the authority's affairs;

11. To appoint an industrial advisory committee or similar committee or committees to advise the authority, consisting of such number of persons as it may deem advisable. Such persons may be compensated such amount per regular, special, or committee meeting as may be approved by the appointing authority, not to exceed fifty dollars per meeting day, and may be reimbursed for necessary traveling and other expenses incurred while on the business of the authority;

12. To borrow money and to accept contributions, grants and other financial assistance from the United States of America and agencies or instrumentalities thereof, the Commonwealth, or any political subdivision, agency, or public instrumentality of the Commonwealth, for or in aid of the construction, acquisition, ownership, maintenance or repair of the authority facilities, for the payment of principal of any bond of the authority, interest thereon, or other cost incident thereto, or in order to make loans in furtherance of the purposes of this chapter of such money, contributions, grants, and other financial assistance, and to this end the authority shall have the power to comply with such conditions and to execute such agreements, trust indentures, and other legal instruments as may be necessary, convenient or desirable and to agree to such terms and conditions as may be imposed; and

13. To make loans *or grants* to any person, partnership, association, corporation, business, or governmental entity in furtherance of the purposes of this chapter *including for the purposes of promoting economic development*, provided that such loans *or grants* shall be made only from revenues of the authority which have not been pledged or assigned for the payment of any of the authority's bonds, and to enter into such contracts, instruments, and agreements as may be expedient to provide for such loans and any security therefor. *An authority may also be permitted to forgive loans or other obligations if it is deemed to further economic development. The word "revenues" as used in this subdivision includes contributions, grants and other financial assistance, as set out in subdivision 12.*

The authority shall not have power to operate any facility as a business other than as lessor; provided, however, that the authority shall have the power to apply for, establish, operate and maintain a foreign-trade zone in accordance with the provisions of Chapter 14 (§ 62.1-159 et seq.) of Title 62.1. Any meeting held by the board of directors at which formal action is taken shall be open to the public.

If a county, city, or town has created an industrial development authority pursuant to this chapter or any other provision of law, no other such authority, not created by such county, city, or town, shall finance facilities, except pollution control facilities, within the boundaries of such county, city, or town, unless the governing body of such county, city, or town in which the facilities are located or are proposed to be located, concurs with the inducement resolution adopted by the authority, and shows such concurrence in a duly adopted resolution. Notwithstanding the foregoing, nothing contained herein shall be deemed to invalidate or otherwise impair any existing financing by an authority or the financing of any facilities for which application has been made to an authority prior to July 1, 1981.