

# **Bond Case Briefs**

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## **BOND VALIDATION - GEORGIA**

### **Greene County Development Authority v. State**

**Supreme Court of Georgia - March 16, 2015 - S.E.2d - 2015 WL 1135409**

State filed petition to validate revenue bonds to be issued to finance construction of facility for use as charter school in county. County residents intervened to object to validation. The trial court denied validation. County, County Development Authority, and charter school operator appealed.

The Supreme Court of Georgia held that record supported finding that bond proposal was not sound, feasible, and reasonable.

Record supported finding that county development authority's proposal to issue revenue bonds to finance construction of charter school was not sound, feasible, and reasonable and, thus, validation of bonds was not warranted. Evidence of economic benefit of proposal was not overwhelming, and trial court appeared to have concerns about several aspects of proposal, noting that board of education had limited involvement, that county was obligated to fund repayment of the indebtedness, and that, as soon as debt was retired, charter school operator—a private, nonprofit corporation—would be entitled to purchase the facility for only \$1.