

State of Arizona  
House of Representatives  
Fiftieth Legislature  
Second Regular Session  
2012

# HOUSE BILL 2469

AN ACT

AMENDING TITLE 48, CHAPTER 4, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 7;  
RELATING TO REVENUE ALLOCATION DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 48, chapter 4, Arizona Revised Statutes, is amended  
3 by adding article 7, to read:

4 ARTICLE 7. REVENUE ALLOCATION DISTRICTS

5 48-751. Definitions

6 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 1. "BASE ROLL" MEANS THE ASSESSMENT AND TAX ROLL FOR ALL CLASSES OF  
8 TAXABLE PROPERTY ON JANUARY 1 OF THE YEAR IN WHICH THE GOVERNING BODY OF A  
9 CITY OR TOWN ADOPTS OR MODIFIES A REVENUE ALLOCATION DISTRICT PLAN, REDUCED  
10 BY THE ASSESSED VALUE OF PROPERTY TAKEN OFF THE ROLL AND INCREASED BY THE  
11 ASSESSED VALUE OF PROPERTY ADDED TO THE ROLL AFTER THE DATE OF THE ROLL.

12 2. "BASE TRANSACTION PRIVILEGE TAX" MEANS THE AMOUNT OF MUNICIPAL  
13 TRANSACTION PRIVILEGE TAX COLLECTED BY THE MUNICIPALITY IN WHICH THE DISTRICT  
14 IS LOCATED FOR THE FISCAL YEAR IMMEDIATELY PRECEDING THE FISCAL YEAR IN WHICH  
15 THE CITY OR TOWN ADOPTS OR MODIFIES A REVENUE ALLOCATION DISTRICT PLAN.

16 3. "BOARD OF DIRECTORS" MEANS THE BOARD OF DIRECTORS OF THE DISTRICT.

17 4. "CLERK" MEANS THE OFFICIAL WHO PERFORMS THE DUTIES OF CLERK OF THE  
18 CITY OR TOWN OR ANY PERSON APPOINTED BY THE BOARD OF DIRECTORS TO BE THE  
19 CLERK OF THE DISTRICT.

20 5. "DEBT SERVICE" MEANS THE PRINCIPAL OF, INTEREST ON AND PREMIUM, IF  
21 ANY, ON BONDS WHEN DUE, WHETHER AT MATURITY OR ON PRIOR REDEMPTION, AND FEES  
22 AND COSTS OF REGISTRARS, TRUSTEES, PAYING AGENTS OR OTHER AGENTS NECESSARY TO  
23 HANDLE THE BONDS AND THE COSTS OF CREDIT ENHANCEMENT OR LIQUIDITY SUPPORT.

24 6. "DISTRICT" MEANS A REVENUE ALLOCATION DISTRICT ESTABLISHED BY A  
25 CITY OR TOWN PURSUANT TO THIS ARTICLE.

26 7. "DISTRICT PLAN" OR "PLAN" MEANS THE PLAN FOR IMPROVEMENTS FOR WHICH  
27 THE DISTRICT IS FORMED AS DESCRIBED IN SECTION 48-752.

28 8. "GENERAL OBLIGATION BONDS" MEANS BONDS THAT ARE ISSUED PURSUANT TO  
29 THIS ARTICLE AND THAT ARE SECURED BY A PLEDGE OF PROPERTY TAXES LEVIED ON ALL  
30 TAXABLE PROPERTY WITHIN THE BOUNDARIES OF THE DISTRICT.

31 9. "GOVERNING BODY" MEANS THE LEGISLATIVE BODY OF THE CITY OR TOWN IN  
32 WHICH THE DISTRICT IS ESTABLISHED.

33 10. "INCREMENT VALUE" MEANS THE TOTAL ASSESSED VALUE CALCULATED BY  
34 ADDING THE DIFFERENCES BETWEEN THE CURRENT ASSESSED VALUE OF THE TAXABLE  
35 PROPERTY IN THE DISTRICT AND THAT PROPERTY'S ASSESSED VALUE ON THE BASE ROLL,  
36 IF THE DIFFERENCE IS A POSITIVE VALUE.

37 11. "OWNER" MEANS THE PERSON WHO, ON THE DAY THE ACTION, ELECTION OR  
38 PROCEEDING IS BEGUN OR HELD, APPEARS TO BE THE OWNER OF REAL PROPERTY AS  
39 SHOWN ON THE PROPERTY TAX ASSESSMENT ROLL.

40 12. "PROJECT" MEANS A PROJECT UNDERTAKEN BY A DISTRICT FOR ECONOMIC  
41 DEVELOPMENT, FOR REDUCING THE LOSS OF COMMERCE, INDUSTRY OR EMPLOYMENT, FOR  
42 INCREASING EMPLOYMENT OR FOR ANY COMBINATION PURSUANT TO A REVENUE ALLOCATION  
43 DISTRICT FINANCING PLAN. PROJECTS ARE LIMITED TO:

- 1 (a) THE ACQUISITION OF LAND AND IMPROVEMENTS IN THE DISTRICT.  
2 (b) THE DEVELOPMENT, REDEVELOPMENT OR CONSERVATION OF LAND FOR PUBLIC  
3 FACILITIES OR INDUSTRIAL OR COMMERCIAL DEVELOPMENT.  
4 (c) FINANCIAL OR OTHER RELOCATION ASSISTANCE FOR PROPERTY OWNERS  
5 DISPLACED AS A RESULT OF CARRYING OUT THE DEVELOPMENT OR REDEVELOPMENT OF A  
6 PROJECT AND OTHER IMPROVEMENTS NECESSARY FOR CARRYING OUT THE PROJECT PLAN,  
7 TOGETHER WITH SITE IMPROVEMENTS THAT ARE NECESSARY FOR THE PREPARATION OF ANY  
8 SITES AND MAKING ANY LAND OR IMPROVEMENTS ACQUIRED IN THE PROJECT AVAILABLE,  
9 FOR OTHER USES UNDER THE REVENUE ALLOCATION DISTRICT PLAN.  
10 (d) THE CONSTRUCTION OF CAPITAL IMPROVEMENTS IN A DISTRICT DESIGNED TO  
11 INCREASE OR ENHANCE THE DEVELOPMENT OF COMMERCE OR INDUSTRY.  
12 (e) THE REFINANCING OF ANY PROJECT IN THE DISTRICT PREVIOUSLY  
13 IDENTIFIED IN THE APPROVED DISTRICT PLAN AND PREVIOUSLY FINANCED BY THE  
14 DISTRICT.  
15 (f) ANY OTHER PROJECTS SPECIFICALLY IDENTIFIED IN THE DISTRICT PLAN  
16 THE GOVERNING BODY CONSIDERS APPROPRIATE TO CARRY OUT THE PURPOSES OF THIS  
17 ARTICLE.
- 18 13. "PROJECT COSTS" INCLUDES:  
19 (a) CAPITAL COSTS, INCLUDING THE ACTUAL COSTS OF THE CONSTRUCTION OF  
20 CAPITAL IMPROVEMENTS AND INFRASTRUCTURE, THE DEMOLITION, ALTERATION,  
21 REMODELING, REPAIR OR RECONSTRUCTION OF EXISTING BUILDINGS, STRUCTURES AND  
22 PERMANENT FIXTURES, REGARDLESS OF WHETHER THE IMPROVEMENTS, FACILITIES,  
23 BUILDINGS, STRUCTURES AND FIXTURES ARE PUBLICALLY OR PRIVATELY OWNED, THE  
24 ACQUISITION OF EQUIPMENT AND THE CLEARING AND GRADING OF LAND.  
25 (b) FINANCING COSTS, INCLUDING INTEREST DURING CONSTRUCTION AND  
26 CAPITALIZED DEBT SERVICE OR REPAIR AND REPLACEMENT OR OTHER APPROPRIATE  
27 RESERVES.  
28 (c) REAL PROPERTY ASSEMBLY COSTS, AS ANY DEFICIT INCURRED FROM THE  
29 SALE OR LEASE BY THE MUNICIPALITY OF REAL OR PERSONAL PROPERTY WITHIN THE  
30 DISTRICT.  
31 (d) PROFESSIONAL SERVICE COSTS, INCLUDING COSTS INCURRED FOR  
32 ARCHITECTURAL, PLANNING, ENGINEERING AND LEGAL ADVICE AND SERVICES.  
33 (e) DIRECT ADMINISTRATIVE COSTS, INCLUDING REASONABLE CHARGES FOR THE  
34 TIME SPENT BY MUNICIPAL EMPLOYEES IN CONNECTION WITH THE IMPLEMENTATION OF A  
35 PROJECT PLAN.  
36 (f) RELOCATION COSTS.  
37 (g) OTHER RELATED COSTS INCIDENTAL TO ANY OF THE LISTED COSTS.
- 38 14. "RELATED COSTS" MEANS COSTS AND EXPENSES, EXCLUSIVE OF THE ACTUAL  
39 COST OF CONSTRUCTING AND FINANCING IMPROVEMENTS THAT ARE RELATED TO  
40 ESTABLISHING THE DISTRICT AND REIMBURSEMENT OF SUMS ADVANCED BY THE  
41 MUNICIPALITY FOR CONSTRUCTING AND FINANCING IMPROVEMENTS, EXPENDED FOR  
42 ATTAINING THE PURPOSES AND GOALS FOR WHICH THE DISTRICT WAS CREATED.
- 43 15. "REVENUE ALLOCATION DISTRICT PLAN" OR "PLAN" MEANS A PLAN ADOPTED  
44 BY A CITY OR TOWN PURSUANT TO SECTION 48-753, AS IT CURRENTLY EXISTS,  
45 INCLUDING ANY METHOD OR METHODS OF FINANCING THE PLAN.

1           16. "REVENUE BONDS" MEANS BONDS THAT ARE ISSUED PURSUANT TO THIS  
2 ARTICLE AND THAT ARE SECURED BY A PLEDGE OF REVENUES OF THE DISTRICT OR  
3 REVENUES COLLECTED BY THE CITY OR TOWN AND PAID TO THE DISTRICT.

4           17. "TAX" OR "TAXES" MEANS ALL PROPERTY TAX LEVIES BY ALL TAXING  
5 JURISDICTIONS ON TAXABLE PROPERTY, UNLESS EXCLUDED BY THIS ARTICLE.

6           18. "TAXABLE PROPERTY" MEANS TAXABLE REAL PROPERTY, IMPROVEMENTS AND  
7 PERSONAL PROPERTY INCLUDED ON THE ASSESSMENT ROLL.

8           19. "TREASURER" MEANS THE PERSON OR OFFICIAL WHO PERFORMS THE DUTIES OF  
9 TREASURER OF THE MUNICIPALITY OR ANY PERSON APPOINTED BY THE DISTRICT BOARD  
10 AS THE DISTRICT TREASURER.

11           48-752. Formation of district; board; change in boundaries

12           A. IF THE PUBLIC CONVENIENCE AND NECESSITY REQUIRE, AND ON  
13 PRESENTATION OF A PETITION SIGNED BY THE OWNERS OF AT LEAST FIFTY-ONE PER  
14 CENT OF THE LAND AREA PROPOSED TO BE INCLUDED IN THE DISTRICT, THE GOVERNING  
15 BODY OF A CITY OR TOWN MAY ADOPT A RESOLUTION DECLARING ITS INTENTION TO FORM  
16 A REVENUE ALLOCATION DISTRICT. THE RESOLUTION SHALL STATE THE FOLLOWING:

17           1. THE AREA TO BE INCLUDED IN THE DISTRICT, WHICH MAY INCLUDE  
18 NONCONTIGUOUS AREAS.

19           2. THE PURPOSES FOR WHICH THE DISTRICT IS TO BE FORMED.

20           3. THAT THE REVENUE ALLOCATION DISTRICT PLAN IS ON FILE WITH THE  
21 CLERK.

22           4. THE DATE, TIME AND PLACE OF THE HEARING TO BE HELD ON THE FORMATION  
23 OF THE DISTRICT.

24           5. THE PLACE WHERE WRITTEN OBJECTIONS TO THE FORMATION OF THE DISTRICT  
25 MAY BE FILED.

26           6. THAT FORMATION OF THE DISTRICT MAY RESULT IN A REVENUE ALLOCATION  
27 FINANCING PROVISION THAT WILL CAUSE PROPERTY TAXES RESULTING FROM ANY  
28 INCREASES IN EQUALIZED ASSESSED VALUATION IN EXCESS OF THE EQUALIZED ASSESSED  
29 VALUATION AS SHOWN ON THE BASE ROLL TO BE ALLOCATED TO THE REVENUE ALLOCATION  
30 DISTRICT, AND THAT AN AGREEMENT ON ADMINISTRATION OF A REVENUE ALLOCATION  
31 FINANCING PROVISION HAS BEEN NEGOTIATED WITH THE CITY OR TOWN FORMING THE  
32 DISTRICT.

33           7. THAT THE FORMATION OF THE DISTRICT IS CONSISTENT WITH THE GROWTH  
34 AREA, COST OF DEVELOPMENT, CONSERVATION, REHABILITATION AND REDEVELOPMENT AND  
35 THE NEIGHBORHOOD AND REVITALIZATION ELEMENTS OF THE GENERAL PLAN OF THE CITY  
36 OR TOWN.

37           8. A REFERENCE TO THIS ARTICLE.

38           9. THAT THE DISTRICT WILL BE GOVERNED BY DIRECTORS APPOINTED BY THE  
39 GOVERNING BODY OR THAT THE GOVERNING BODY OF THE CITY OR TOWN WILL SERVE AS  
40 THE GOVERNING BODY OF THE DISTRICT.

41           B. THE DISTRICT SHALL BE GOVERNED BY A BOARD OF DIRECTORS APPOINTED BY  
42 THE GOVERNING BODY OF THE CITY OR TOWN CONSISTING OF FIVE PERSONS NAMED BY  
43 THE GOVERNING BODY, OR THE GOVERNING BODY MAY ELECT TO ACT AS THE BOARD OF  
44 DIRECTORS. THE ORGANIZATION OF THE BOARD OF DIRECTORS SHALL BE INCLUDED IN  
45 THE RESOLUTION OF INTENT TO FORM THE DISTRICT.

1 C. THE CLERK SHALL EXECUTE A NOTICE, WHICH SHALL READ SUBSTANTIALLY AS  
2 FOLLOWS:

3 TO WHOM IT MAY CONCERN:  
4 THE GOVERNING BODY OF THE CITY OR TOWN OF \_\_\_\_\_, ON  
5 \_\_\_\_\_ (DATE), ADOPTED THE ATTACHED RESOLUTION DECLARING THE  
6 INTENTION TO FORM A REVENUE ALLOCATION DISTRICT. A HEARING ON  
7 FORMATION WILL BE HELD ON \_\_\_\_\_ (DATE), AT \_\_\_\_\_ (TIME) AT  
8 \_\_\_\_\_ (LOCATION). ALL PERSONS OWNING OR CLAIMING AN INTEREST IN  
9 PROPERTY IN THE PROPOSED DISTRICT WHO OBJECT TO THE INCLUSION OF  
10 THEIR LAND IN THE DISTRICT, WHO OBJECT TO THE FORMATION OF THE  
11 DISTRICT OR WHO OBJECT TO THE CONTENTS OF THE REVENUE ALLOCATION  
12 DISTRICT PLAN MUST FILE A WRITTEN OBJECTION WITH THE UNDERSIGNED  
13 AT THE FOLLOWING ADDRESS BEFORE THE TIME SET FOR THE HEARING.

14 (DATE) \_\_\_\_\_  
15 \_\_\_\_\_  
16 CLERK  
17 (ADDRESS) \_\_\_\_\_  
18 (NAME OF MUNICIPALITY) \_\_\_\_\_

19 D. A COPY OF THE RESOLUTION DECLARING THE GOVERNING BODY'S INTENTION  
20 TO FORM THE DISTRICT SHALL BE ATTACHED TO THE NOTICE, AND THE CLERK SHALL  
21 CAUSE A COPY TO BE MAILED TO THE OWNERS OF REAL PROPERTY IN THE DISTRICT AS  
22 SHOWN ON THE MOST RECENT ASSESSMENT ROLL AND TO ALL OTHER PERSONS CLAIMING AN  
23 INTEREST IN SUCH PROPERTY WHO HAVE FILED A WRITTEN REQUEST FOR A COPY OF THE  
24 NOTICE WITHIN THE SIX MONTHS BEFORE OR AT ANY TIME FOLLOWING THE ADOPTION OF  
25 THE RESOLUTION OF INTENT TO FORM THE DISTRICT. A COPY OF THE NOTICE AND  
26 RESOLUTION SHALL BE POSTED ON THE MUNICIPALITY'S WEBSITE AT LEAST TWENTY DAYS  
27 PRIOR TO THE DATE SET FOR HEARING. IF THERE IS NO CITY WEBSITE, THE CLERK  
28 SHALL ALSO PUBLISH A COPY OF THE NOTICE AND RESOLUTION AT LEAST ONCE IN THE  
29 OFFICIAL NEWSPAPER OF THE CITY OR TOWN, IF THERE IS ONE, OR, IF THERE IS NO  
30 OFFICIAL NEWSPAPER, IN A NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY IN  
31 WHICH THE CITY OR TOWN IS LOCATED. THE MAILING AND PUBLICATION MUST BE  
32 COMPLETED AT LEAST TWENTY DAYS BEFORE THE DATE SET FOR HEARING. THE CLERK  
33 SHALL EXECUTE AN AFFIDAVIT OF MAILING STATING THE DATE OF MAILING AND THE  
34 NAMES AND ADDRESSES OF THE PERSONS TO WHOM THE NOTICES AND COPIES OF THE  
35 RESOLUTIONS WERE MAILED. THE CLERK SHALL OBTAIN AN AFFIDAVIT FROM THE  
36 NEWSPAPER IN WHICH THE PUBLICATION WAS MADE. THE CLERK SHALL CAUSE BOTH  
37 AFFIDAVITS TO BE PLACED IN THE OFFICIAL RECORDS OF THE CITY OR TOWN. THE  
38 AFFIDAVITS ARE CONCLUSIVE EVIDENCE OF THE MAILING AND PUBLISHING OF NOTICE.  
39 NOTICE SHALL NOT BE HELD INVALID FOR FAILURE OF DELIVERY TO THE ADDRESSEE.  
40 IF THE CLERK DETERMINES THAT THE PERSON LISTED ON THE ASSESSMENT ROLL IS NO  
41 LONGER THE OWNER AND THE NAME AND ADDRESS OF THE SUCCESSOR OWNER BECOME  
42 KNOWN, THE CLERK SHALL CAUSE A COPY OF THE NOTICE AND RESOLUTION TO BE MAILED  
43 TO THE SUCCESSOR OWNER AS SOON AS PRACTICABLE AFTER LEARNING OF THE CHANGE OF  
44 OWNERSHIP.

1 E. ANY OWNER OF TAXABLE PROPERTY IN THE PROPOSED DISTRICT MAY FILE A  
2 WRITTEN OBJECTION WITH THE CLERK BEFORE 5:00 P.M. ON THE BUSINESS DAY  
3 PRECEDING THE DATE SET FOR THE HEARING. THE OBJECTION MAY RAISE ANY OF THE  
4 FOLLOWING:

5 1. THAT THE OBJECTOR'S PROPERTY WOULD NOT BE BENEFITED FROM THE  
6 IMPROVEMENTS LISTED IN THE REVENUE ALLOCATION DISTRICT PLAN AND THAT THE  
7 PROPERTY SHOULD BE EXCLUDED FROM THE DISTRICT.

8 2. THAT THE DISTRICT SHOULD NOT BE FORMED, STATING THE SPECIFIC  
9 REASONS.

10 3. THAT THE REVENUE ALLOCATION DISTRICT PLAN SHOULD BE MODIFIED,  
11 STATING THE REASONS FOR MODIFICATION.

12 F. AT THE HEARING, INCLUDING ANY ADJOURNMENTS OR CONTINUANCES, THE  
13 GOVERNING BODY SHALL HEAR AND PASS ONLY ON THE WRITTEN OBJECTIONS AND THE  
14 TESTIMONY AND EVIDENCE PRESENTED IN SUPPORT OF OR OPPOSITION TO THE  
15 OBJECTIONS.

16 G. TESTIMONY AT THE HEARING NEED NOT BE UNDER OATH, UNLESS REQUESTED  
17 BY A PROPERTY OWNER OR REQUIRED BY THE GOVERNING BOARD. REQUESTS BY PROPERTY  
18 OWNERS MUST BE MADE IN WRITING AND BE FILED WITH OR SERVED ON THE CLERK  
19 BEFORE THE HEARING BEGINS OR THE REQUEST IS CONSIDERED TO BE WAIVED.

20 H. THE MINUTES OR A COPY OF A WRITTEN TRANSCRIPT OR A TAPE RECORDING  
21 OF THE PROCEEDINGS OF A HEARING CONDUCTED PURSUANT TO THIS SECTION SHALL BE  
22 OPEN TO PUBLIC INSPECTION THREE WORKING DAYS AFTER THE HEARING. ANY PERSON  
23 MAY REQUEST TO EXAMINE OR BE FURNISHED COPIES, PRINTOUTS, PHOTOGRAPHS,  
24 TRANSCRIPTS OR RECORDINGS OF A HEARING DURING REGULAR OFFICE HOURS OF THE  
25 GOVERNING BODY. THE CUSTODIAN OF THE RECORDS SHALL FURNISH THE MATERIALS AND  
26 MAY CHARGE A REASONABLE FEE THAT DOES NOT EXCEED THE ACTUAL COST OF  
27 REPRODUCING THE ITEM REQUESTED.

28 I. AFTER THE HEARING, THE GOVERNING BODY MAY ADOPT A RESOLUTION  
29 ORDERING THE FORMATION OF THE DISTRICT, DELETING ANY PROPERTY DETERMINED NOT  
30 TO BE NECESSARY OR MODIFYING THE REVENUE ALLOCATION DISTRICT PLAN AND THEN  
31 ORDERING THE FORMATION OF THE DISTRICT OR DETERMINING THAT THE DISTRICT NOT  
32 BE FORMED. A RESOLUTION ORDERING FORMATION OF THE DISTRICT SHALL STATE THE  
33 NAMES AND TERMS OF OFFICE OF THE INITIAL DIRECTORS OR, IF THE GOVERNING BODY  
34 ELECTS TO SERVE AS THE GOVERNING BODY OF THE DISTRICT, THAT DETERMINATION  
35 SHALL BE INCLUDED IN THE ORDER OF FORMATION.

36 J. IF THE FORMATION OF THE DISTRICT IS APPROVED, THE GOVERNING BODY  
37 SHALL ORDER THE FORMATION, APPOINT THE INITIAL BOARD OF DIRECTORS, SET THE  
38 BOUNDARIES OF THE DISTRICT AND ORDER THAT A MAP SHOWING THE BOUNDARIES BE  
39 DRAWN AND A COPY OF THE ORDER FORMING THE DISTRICT BE DELIVERED TO THE BOARD  
40 OF SUPERVISORS OF THE COUNTY IN WHICH THE DISTRICT IS LOCATED AND TO THE  
41 DEPARTMENT OF REVENUE. THE DISTRICT MUST BE LOCATED ENTIRELY WITHIN THE  
42 EXTERIOR BOUNDARIES OF THE CITY OR TOWN AND MAY INCLUDE NONCONTIGUOUS AREAS.  
43 A NOTICE OF THE FORMATION SHOWING THE NUMBER AND DATE OF THE ORDER AND GIVING  
44 A DESCRIPTION OF THE LAND INCLUDED IN THE DISTRICT SHALL BE RECORDED WITH THE  
45 COUNTY RECORDER.

1 K. AN AREA MAY BE DELETED FROM THE DISTRICT OR AN AREA CONTIGUOUS TO  
2 THE EXISTING DISTRICT ADDED TO THE DISTRICT FOLLOWING THE SAME PROCEDURE  
3 PRESCRIBED BY THIS SECTION FOR THE FORMATION OF THE DISTRICT AND ADOPTION OF  
4 A RESOLUTION BY THE GOVERNING BODY OF THE CITY OR TOWN. THE CITY OR TOWN  
5 SHALL IMMEDIATELY NOTIFY THE COUNTY ASSESSOR AND THE DEPARTMENT OF REVENUE OF  
6 ANY DELETIONS FROM AND ADDITIONS TO THE DISTRICT OCCURRING UNDER THIS  
7 SUBSECTION.

8 L. ON ITS FORMATION, THE DISTRICT IS A CORPORATE AND POLITICAL BODY  
9 AND, EXCEPT AS OTHERWISE LIMITED, MODIFIED OR PROVIDED BY THIS ARTICLE, HAS  
10 ALL OF THE RIGHTS, POWERS AND IMMUNITIES OF MUNICIPAL CORPORATIONS, INCLUDING  
11 AS PROVIDED BY TITLE 35, CHAPTER 3, ARTICLES 3, 3.1, 3.2, 4 AND 5. EXCEPT AS  
12 OTHERWISE PROVIDED IN THIS ARTICLE, A DISTRICT IS CONSIDERED TO BE A  
13 MUNICIPAL CORPORATION AND POLITICAL SUBDIVISION OF THIS STATE, SEPARATE AND  
14 APART FROM THE CITY OR TOWN.

15 M. THE FORMATION OF A REVENUE ALLOCATION DISTRICT, THE ADOPTION OF A  
16 REVENUE ALLOCATION PLAN, THE ISSUING OF GENERAL OBLIGATION OR REVENUE BONDS  
17 AND THE IMPOSITION OF USE CHARGES PURSUANT TO THIS ARTICLE ARE DECLARED TO BE  
18 A PUBLIC BENEFIT.

19 N. THE DISTRICT HAS PERPETUAL SUCCESSION.

20 48-753. Revenue allocation district plan

21 A. BEFORE ADOPTING A RESOLUTION TO ESTABLISH A DISTRICT PURSUANT TO  
22 SECTION 48-752, THE CITY OR TOWN MUST ADOPT A REVENUE ALLOCATION DISTRICT  
23 PLAN, FILED WITH THE CLERK, PROVIDING A GENERAL DESCRIPTION OF THE OPERATION  
24 AND FINANCING OF THE DISTRICT, THE CAPITAL IMPROVEMENTS AND OTHER PROJECTS  
25 FOR WHICH THE DISTRICT IS PROPOSED TO BE FORMED AND THE GEOGRAPHICAL LOCATION  
26 AND BOUNDARIES OF THE DISTRICT.

27 B. THE CLERK SHALL POST NOTICE OF THE FILING OF THE PLAN IN THE  
28 LOCATIONS DESIGNATED BY THE CITY OR TOWN FOR POSTING OF OFFICIAL NOTICES AND  
29 AGENDAS. THE GOVERNING BODY SHALL HOLD A PUBLIC HEARING ON THE PLAN.

30 C. ANY SUBSEQUENT MODIFICATION OF THE PLAN MUST BE FILED, NOTICED AND  
31 BE SUBJECT TO A PUBLIC HEARING IN THE SAME MANNER AS THE ADOPTION OF THE  
32 ORIGINAL PLAN.

33 48-754. Powers

34 IN ADDITION TO THE POWERS OTHERWISE GRANTED TO A DISTRICT PURSUANT TO  
35 THIS ARTICLE, TO FURTHER THE REVENUE ALLOCATION DISTRICT PLAN, THE DISTRICT  
36 MAY:

37 1. ENTER INTO CONTRACTS AND SPEND MONIES FOR ANY PROJECT PURPOSE WITH  
38 RESPECT TO THE DISTRICT.

39 2. ENTER INTO INTERGOVERNMENTAL AGREEMENTS PURSUANT TO TITLE 11,  
40 CHAPTER 7, ARTICLE 3 FOR PLANNING, DESIGNING, INSPECTING, OWNING,  
41 CONTROLLING, MAINTAINING, OPERATING AND REPAIRING PROJECTS IN THE DISTRICT.  
42 THE DISTRICT SHALL NOT EXERCISE THE POWER OF EMINENT DOMAIN. NOTWITHSTANDING  
43 THE FOREGOING, A MUNICIPALITY ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT  
44 WITH THE DISTRICT SHALL NOT BE PROHIBITED FROM EXERCISING THE POWER OF  
45 EMINENT DOMAIN WHICH IT MAY HAVE PURSUANT TO TITLE 12.

- 1           3. SELL, LEASE OR OTHERWISE DISPOSE OF PROPERTY IF THE SALE, LEASE OR  
2 CONVEYANCE IS NOT A VIOLATION OF THE TERMS OF ANY CONTRACT OR BOND RESOLUTION  
3 OF THE DISTRICT.
- 4           4. REIMBURSE THE CITY OR TOWN FOR DIRECT ADMINISTRATIVE COSTS ARISING  
5 OUT OF PROVIDING SERVICES TO THE DISTRICT.
- 6           5. PLAN, DESIGN, INSPECT, OWN, CONTROL, MAINTAIN, OPERATE AND REPAIR  
7 PROJECTS.
- 8           6. ESTABLISH, CHARGE AND COLLECT USER FEES, RATES OR CHARGES FOR THE  
9 USE OF ANY PROJECT IN THE DISTRICT.
- 10          7. EMPLOY STAFF, COUNSEL AND CONSULTANTS.
- 11          8. ACCEPT GIFTS OR GRANTS AND INCUR AND REPAY LOANS FOR ANY PROJECT  
12 PURPOSE.
- 13          9. ENTER INTO AGREEMENTS WITH THE CITY OR TOWN FOR THE ALLOCATION OF  
14 THE TAX ON INCREMENT VALUE OF PROPERTY IN THE DISTRICT OR THE ALLOCATION OF  
15 BOND PROCEEDS SUPPORTED BY A GENERAL OBLIGATION PROPERTY TAX LEVY PURSUANT TO  
16 THE ADOPTED REVENUE ALLOCATION DISTRICT PLAN.
- 17          10. BY RESOLUTION, PLEDGE AN ALLOCATION OF INCREMENT VALUE OR BOND  
18 PROCEEDS SUPPORTED BY A GENERAL OBLIGATION PROPERTY TAX TO FINANCE THE COSTS  
19 OF ANY PROJECT IN THE DISTRICT.
- 20          11. PAY THE FINANCIAL, LEGAL AND ADMINISTRATIVE COSTS OF THE DISTRICT.
- 21          12. ENTER INTO CONTRACTS, AGREEMENTS AND TRUST INDENTURES TO OBTAIN  
22 CREDIT ENHANCEMENT OR LIQUIDITY SUPPORT FOR ITS BONDS AND PROCESS THE  
23 ISSUANCE, REGISTRATION, TRANSFER AND PAYMENT OF ITS BONDS AND THE  
24 DISBURSEMENT AND INVESTMENT OF PROCEEDS OF THE BONDS.
- 25          13. WITH THE CONSENT OF THE GOVERNING BODY OF THE CITY OR TOWN THAT  
26 FORMED THE DISTRICT:
  - 27           (a) FOR THE PURPOSE OF IMPLEMENTING A PROJECT CONTAINED IN THE PROJECT  
28 PLAN, ENTER INTO AGREEMENTS WITH PERSONS OUTSIDE OF THE DISTRICT TO PROVIDE  
29 ACCESS TO A PROJECT TO PERSONS AND PROPERTY OUTSIDE OF THE DISTRICT.
  - 30           (b) USE PUBLIC EASEMENTS AND RIGHTS-OF-WAY IN OR ACROSS PUBLIC  
31 PROPERTY, ROADWAYS, HIGHWAYS, STREETS OR OTHER THOROUGHFARES AND OTHER PUBLIC  
32 EASEMENTS AND RIGHTS-OF-WAY.
- 33          14. ADOPT AND CHANGE A SEAL.
- 34          15. SUE AND BE SUED.
- 35          16. ENTER INTO DEVELOPMENT AGREEMENTS, AS DEFINED IN SECTION 9-500.05,  
36 TO CARRY OUT THE POWERS AND DUTIES OF THE DISTRICT AS SET FORTH IN THIS  
37 ARTICLE.
- 38          17. ADMINISTER, IN A REASONABLE MANNER, THE IMPLEMENTATION OF THE  
39 REVENUE ALLOCATION DISTRICT PLAN.
- 40          48-755. Records; open meetings
- 41          A. THE DISTRICT SHALL KEEP THE FOLLOWING RECORDS, WHICH SHALL BE OPEN  
42 TO PUBLIC INSPECTION:
  - 43           1. MINUTES OF ALL MEETINGS OF THE BOARD OF DIRECTORS.
  - 44           2. ALL RESOLUTIONS.
  - 45           3. ACCOUNTS SHOWING ALL MONIES RECEIVED AND DISBURSED.

- 1           4. THE ANNUAL BUDGET.
- 2           5. ALL OTHER RECORDS REQUIRED TO BE MAINTAINED BY LAW.
- 3           B. IF THE BOARD OF DIRECTORS IS APPOINTED BY THE GOVERNING BODY OF THE
- 4 CITY OR TOWN, EACH DIRECTOR SHALL SERVE FOR A TERM OF SIX YEARS, EXCEPT THAT
- 5 TWO DIRECTORS INITIALLY APPOINTED BY THE GOVERNING BODY, SELECTED BY LOT,
- 6 SHALL SERVE FOR A TERM OF FOUR YEARS. ON THE EXPIRATION OF THE TERM OF AN
- 7 APPOINTED DIRECTOR, THE GOVERNING BODY SHALL APPOINT A PERSON TO FILL THE
- 8 POSITION. IF A VACANCY OCCURS BECAUSE OF DEATH, RESIGNATION OR INABILITY OF
- 9 THE DIRECTOR TO DISCHARGE THE DUTIES OF DIRECTOR, THE VACANCY SHALL BE FILLED
- 10 BY INTERIM APPOINTMENT MADE BY THE GOVERNING BODY FOR THE REMAINDER OF THE
- 11 UNEXPIRED TERM UNTIL THE MEMBER'S SUCCESSOR IS APPOINTED. AN APPOINTED
- 12 DIRECTOR SHALL NOT BE AN ELECTED OFFICIAL OF THE CITY OR TOWN, UNLESS THE
- 13 GOVERNING BODY OF THE CITY OR TOWN SERVES AS THE BOARD OF DIRECTORS OF THE
- 14 DISTRICT.
- 15           C. THE BOARD OF DIRECTORS SHALL COMPLY WITH TITLE 38, CHAPTER 3,
- 16 ARTICLE 3.1 AS A SEPARATE POLITICAL SUBDIVISION.
- 17           D. THE CLERK AND TREASURER OF THE DISTRICT SHALL BE THE CLERK AND THE
- 18 FINANCE DIRECTOR OF THE CITY OR TOWN, RESPECTIVELY, UNLESS THE BOARD OF
- 19 DIRECTORS APPOINTS A SEPARATE CLERK AND TREASURER OF THE DISTRICT. THE
- 20 GOVERNING BODY OF THE CITY OR TOWN MAY DESIGNATE ITS MUNICIPAL MANAGER AND
- 21 MUNICIPAL ATTORNEY TO SERVE AS THE MANAGER AND COUNSEL OF THE DISTRICT.
- 22           48-756. Recording documents
- 23           THE BOARD OF DIRECTORS SHALL FILE AND RECORD WITH THE COUNTY RECORDER
- 24 THE ORDER FORMING THE DISTRICT, THE REVENUE ALLOCATION DISTRICT PLAN AND THE
- 25 CANVASS OF ANY BOND ELECTION UNDER SECTION 48-764 AND SUBMIT COPIES OF ALL
- 26 SUCH INFORMATION TO THE STATE REAL ESTATE DEPARTMENT.
- 27           48-757. Dissolution of district
- 28           A. A DISTRICT MAY BE DISSOLVED BY THE BOARD OF DIRECTORS BY A
- 29 RESOLUTION OF THE BOARD IF THE FOLLOWING CONDITIONS EXIST:
- 30           1. ALL OF THE PROPERTY OWNED BY THE DISTRICT HAS BEEN OR WILL BE
- 31 CONVEYED TO THE CITY OR TOWN.
- 32           2. EITHER THE DISTRICT HAS NO OBLIGATIONS OR THE CITY OR TOWN HAS
- 33 ASSUMED ALL OF THE OBLIGATIONS OF THE DISTRICT.
- 34           3. ALL BONDS ISSUED BY THE DISTRICT SUPPORTED BY A PLEDGE OF PROPERTY
- 35 TAX REVENUES HAVE BEEN PAID IN FULL.
- 36           B. THE BOARD OF DIRECTORS SHALL COMPLY WITH THE CONDITIONS PRESCRIBED
- 37 BY SUBSECTION A OF THIS SECTION AND SHALL DISSOLVE THE DISTRICT IF BOTH OF
- 38 THE FOLLOWING OCCUR:
- 39           1. THE BOARD OF DIRECTORS HAS CONSENTED TO COMPLY WITH THE CONDITIONS
- 40 PRESCRIBED BY SUBSECTION A OF THIS SECTION AND DETERMINES THAT THE DISTRICT
- 41 HAS BEEN INACTIVE FOR AT LEAST FIVE CONSECUTIVE YEARS AND HAS NO FUTURE
- 42 PURPOSE.
- 43           2. THE BOARD OF DIRECTORS ADOPTS A RESOLUTION DISSOLVING THE DISTRICT
- 44 AND RECORDS THE RESOLUTION IN THE OFFICE OF THE COUNTY RECORDER.

1 C. THE DISTRICT MAY NOT BE DISSOLVED IF ANY REVENUE BONDS OF THE  
2 DISTRICT REMAIN OUTSTANDING UNLESS AN AMOUNT OF MONEY SUFFICIENT, TOGETHER  
3 WITH INVESTMENT INCOME, TO MAKE ALL PAYMENTS DUE ON THE REVENUE BONDS EITHER  
4 AT MATURITY OR PRIOR REDEMPTION HAS BEEN DEPOSITED WITH A TRUSTEE OR ESCROW  
5 AGENT AND PLEDGED TO THE PAYMENT AND REDEMPTION OF THE BONDS. THE DISTRICT  
6 MAY CONTINUE TO OPERATE AFTER DISSOLUTION ONLY AS NEEDED TO COLLECT MONEY AND  
7 MAKE PAYMENTS ON ANY OUTSTANDING BONDS.

8 48-758. Financing projects; sources of revenue

9 A. THE PROJECTS TO BE CONSTRUCTED OR ACQUIRED PURSUANT TO THE REVENUE  
10 ALLOCATION DISTRICT PLAN MAY BE FINANCED FROM ONE OR MORE OF THE FOLLOWING  
11 REVENUE SOURCES:

- 12 1. PROCEEDS FROM THE SALE OF REVENUE BONDS OF THE DISTRICT.
- 13 2. TAX REVENUES FROM THE INCREMENT VALUE OF TAXABLE REAL AND PERSONAL  
14 PROPERTY ALLOCATED BY THE CITY OR TOWN TO THE DISTRICT ACCORDING TO THE  
15 REVENUE ALLOCATION DISTRICT PLAN.
- 16 3. INCREMENTAL INCREASES IN TRANSACTION PRIVILEGE TAX REVENUE  
17 ACCORDING TO THE REVENUE ALLOCATION DISTRICT PLAN.
- 18 4. PROCEEDS FROM THE SALE OF GENERAL OBLIGATION BONDS OF THE DISTRICT.
- 19 5. STATE, FEDERAL AND PRIVATE GRANTS AND CONTRIBUTIONS.
- 20 6. ANY OTHER MONIES LAWFULLY AVAILABLE TO THE DISTRICT.

21 B. THE DISTRICT MAY ESTABLISH, CHARGE AND COLLECT USER FEES, RATES OR  
22 CHARGES FOR THE USE OF ANY PROJECT IN THE DISTRICT AS PROVIDED BY SECTION  
23 48-754, PARAGRAPH 6.

24 48-759. Determination and allocation of property tax revenue  
25 increments

26 A. THE ALLOCATION OF AD VALOREM PROPERTY TAX INCREMENTS WITHIN A  
27 REVENUE ALLOCATION DISTRICT SHALL BE CALCULATED USING PRIMARY PROPERTY TAXES  
28 LEVIED BY THE CITY OR TOWN IN WHICH THE DISTRICT IS LOCATED. SECONDARY  
29 PROPERTY TAX LEVIES AND PROPERTY TAX LEVIES BY ALL OTHER POLITICAL  
30 SUBDIVISIONS OF THIS STATE, OTHER THAN THE CITY OR TOWN IN WHICH THE DISTRICT  
31 IS LOCATED, ARE NOT AFFECTED BY THE DISTRICT.

32 B. THE AMOUNT OF PROPERTY TAX REVENUES COLLECTED WITHIN THE DISTRICT  
33 FROM THE PRIMARY PROPERTY TAX LEVY ON THE CURRENT TAX ROLL BY THE CITY OR  
34 TOWN IN WHICH THE DISTRICT IS LOCATED, MINUS THE AMOUNT OF REVENUES COLLECTED  
35 WITHIN THE DISTRICT FROM THE PRIMARY PROPERTY TAX LEVY ON THE BASE ROLL BY  
36 THE CITY OR TOWN IN WHICH THE DISTRICT IS LOCATED SHALL BE ALLOCATED TO THE  
37 REVENUE ALLOCATION DISTRICT.

38 C. THE INCREMENTAL AMOUNT OF TRANSACTION PRIVILEGE TAX REVENUES THAT  
39 MAY BE ALLOCATED TO THE DISTRICT IS THE TOTAL AMOUNT OF MUNICIPAL TRANSACTION  
40 PRIVILEGE TAX REVENUES COLLECTED BY THE CITY OR TOWN WITHIN THE DISTRICT IN  
41 THE CURRENT FISCAL YEAR, MINUS THE BASE TRANSACTION PRIVILEGE TAX AND ANY  
42 OTHER TRANSACTION PRIVILEGE TAX REVENUES NOT PLEDGED FOR PROJECTS IN THE  
43 DISTRICT PLAN. AN INCREASE IN THE RATE OF TRANSACTION PRIVILEGE TAX BY THE  
44 MUNICIPALITY SHALL BE INCLUDED IN THE BASE TRANSACTION PRIVILEGE TAX.

1 D. ALL TAX INCREMENT REVENUES ALLOCATED TO THE DISTRICT SHALL BE  
2 CREDITED TO ONE OR MORE SPECIAL FUNDS ESTABLISHED PURSUANT TO SECTION 48-760.  
3 48-760. General fund; special fund

4 A. EXCEPT FOR TAX INCREMENT REVENUES AND GENERAL OBLIGATION PROPERTY  
5 TAX REVENUES FOR REPAYMENT OF BONDS PLEDGED PURSUANT TO A REVENUE ALLOCATION  
6 FINANCING PROVISION OF THE DISTRICT PLAN, ALL MONIES RECEIVED BY THE DISTRICT  
7 SHALL BE CREDITED TO A GENERAL FUND OF THE DISTRICT.

8 B. ON ENACTMENT OF AN ORDINANCE ADOPTING A REVENUE ALLOCATION  
9 FINANCING PROVISION AS PART OF THE DISTRICT PLAN, THE BOARD OF DIRECTORS  
10 SHALL ESTABLISH A SPECIAL FUND OR FUNDS FOR THE PURPOSES OF THIS ARTICLE.  
11 ALL TAX INCREMENT REVENUES AND ANY OTHER REVENUES PLEDGED FOR THOSE PURPOSES  
12 SHALL BE CREDITED TO THE DESIGNATED SPECIAL FUND OR FUNDS.

13 C. THE BOARD OF DIRECTORS MAY SEGREGATE THE GENERAL FUND AND ANY  
14 SPECIAL FUND INTO SEPARATE AND EXCLUSIVE ACCOUNTS AND SUBACCOUNTS AS  
15 NECESSARY TO ACCOMMODATE THE FINANCIAL REQUIREMENTS OF THE DISTRICT.

16 48-761. Statements and estimates of expenses; annual budget

17 A. THE BOARD OF DIRECTORS SHALL MAKE ANNUAL STATEMENTS AND ESTIMATES  
18 OF THE OPERATION AND MAINTENANCE EXPENSES OF THE DISTRICT, THE COSTS OF  
19 PROJECTS TO BE FINANCED AND THE AMOUNT OF ALL OTHER PROPOSED EXPENDITURES TO  
20 BE PAID FROM THE INCREMENT OF TRANSACTION PRIVILEGE TAXES IMPOSED BY THE CITY  
21 OR TOWN FORMING THE DISTRICT OR THE INCREMENT OF PRIMARY PROPERTY TAXES  
22 IDENTIFIED IN THE PROJECT PLAN TO BE USED FOR PROJECTS UNDERTAKEN BY THE  
23 DISTRICT. THE STATEMENTS AND ESTIMATES SHALL INCLUDE THE AMOUNT OF ALL OTHER  
24 PROPOSED EXPENDITURES FOR MAINTENANCE AND OPERATION OF THE DISTRICT TO BE  
25 PAID FROM OTHER SOURCES OF REVENUE. THE BOARD OF DIRECTORS SHALL FILE THE  
26 ANNUAL STATEMENTS AND ESTIMATES WITH THE CLERK, PUBLISH A NOTICE OF THE  
27 FILING OF THE ESTIMATE AND HOLD HEARINGS ON THE PORTIONS OF THE ESTIMATE NOT  
28 RELATING TO DEBT SERVICE ON BONDS.

29 B. ON OR BEFORE JULY 1 OF EACH YEAR, THE DISTRICT TREASURER SHALL  
30 PREPARE A PROPOSED BUDGET OF TENTATIVE EXPENDITURES AND REVENUES FOR THE  
31 ENSUING FISCAL YEAR TO BE SUBMITTED TO THE BOARD OF DIRECTORS FOR APPROVAL.

32 C. THE BOARD OF DIRECTORS SHALL HOLD A PUBLIC HEARING ON THE PROPOSED  
33 BUDGET. THE GOVERNING BODY OF THE PARTICIPATING CITY OR TOWN SHALL REVIEW  
34 THE PROPOSED ANNUAL BUDGET AND MAY SUBMIT WRITTEN COMMENTS TO THE BOARD OF  
35 DIRECTORS FOR ITS ASSISTANCE AND INFORMATION. THE BOARD OF DIRECTORS SHALL  
36 THEN DIRECT THAT THE PROPOSED ANNUAL BUDGET BE PUBLISHED IN A NEWSPAPER OF  
37 GENERAL CIRCULATION IN THE DISTRICT.

38 D. AT LEAST FOURTEEN DAYS AFTER THE HEARING, BUT NO LATER THAN OCTOBER  
39 1, THE BOARD OF DIRECTORS MUST ADOPT THE FINAL BUDGET FOR THE FISCAL YEAR.  
40 THE ADOPTED BUDGET MAY NOT EXCEED THE PROPOSED BUDGET OF TENTATIVE REVENUES  
41 AND EXPENDITURES.

42 48-762. Revenue bonds

43 A. AT ANY TIME AFTER THE DISTRICT IS ORGANIZED, THE BOARD OF DIRECTORS  
44 SHALL HOLD A HEARING ON THE QUESTION OF AUTHORIZING THE ISSUANCE OF EITHER OR  
45 BOTH:

1           1. REVENUE BONDS OF THE DISTRICT TO PROVIDE MONIES FOR ANY PROJECT  
2 CONSISTENT WITH THE REVENUE ALLOCATION DISTRICT PLAN.  
3           2. GENERAL OBLIGATION BONDS OF THE DISTRICT TO PROVIDE MONIES FOR ANY  
4 PROJECT CONSISTENT WITH THE REVENUE ALLOCATION DISTRICT PLAN.  
5           B. IF AUTHORIZED BY AN ELECTION HELD PURSUANT TO SECTION 48-764, THE  
6 BOARD OF DIRECTORS MAY:  
7           1. ISSUE AND SELL REVENUE BONDS OF THE DISTRICT IF APPROVED BY  
8 RESOLUTION OF THE BOARD OF DIRECTORS.  
9           2. AS PROVIDED BY SECTION 48-763, ISSUE AND SELL GENERAL OBLIGATION  
10 BONDS OF THE DISTRICT IF APPROVED BY RESOLUTION OF THE BOARD OF DIRECTORS.  
11           3. ENTER INTO AN INTERGOVERNMENTAL AGREEMENT UNDER THIS ARTICLE TO  
12 PERMIT AN INDUSTRIAL DEVELOPMENT AUTHORITY FORMED UNDER TITLE 35, CHAPTER 5  
13 TO ISSUE BONDS FOR A PROJECT IN THE DISTRICT PLAN AND TO PLEDGE REVENUES OF  
14 THE DISTRICT FOR REPAYMENT OF THE INDUSTRIAL DEVELOPMENT AUTHORITY BONDS, THE  
15 EXPENSES OF ISSUING THE BONDS AND FUNDING DEBT SERVICE RESERVE ACCOUNTS AND  
16 BOND INSURANCE.  
17           4. PLEDGE TO THE PAYMENT OF ITS REVENUE BONDS ANY REVENUES OF THE  
18 DISTRICT OR REVENUES TO BE COLLECTED BY THE MUNICIPALITY IN TRUST FOR THE  
19 DISTRICT AND PAID TO THE DISTRICT.  
20           C. THE DISTRICT SHALL PRESCRIBE, AND REVISE AS NECESSARY, FEES AND  
21 CHARGES TO GENERATE REVENUE SUFFICIENT, TOGETHER WITH ANY MONIES FROM THE  
22 SOURCES DESCRIBED IN SECTION 48-758, TO PAY WHEN DUE THE PRINCIPAL AND  
23 INTEREST OF ALL REVENUE BONDS FOR THE PAYMENT OF WHICH REVENUE HAS BEEN  
24 PLEDGED. THE ESTABLISHMENT OR REVISION OF ANY RATES, FEES AND CHARGES SHALL  
25 BE IDENTIFIED AND NOTICED CONCURRENTLY WITH THE ANNUAL BUDGET PROCESS OF THE  
26 DISTRICT PURSUANT TO SECTION 48-761.  
27           D. IF, IN THE RESOLUTION OF THE BOARD OF DIRECTORS, THE REVENUES TO BE  
28 PLEDGED ARE LIMITED TO CERTAIN TYPES OF REVENUES, ONLY THOSE TYPES OF  
29 REVENUES MAY BE PLEDGED AND ONLY THOSE REVENUES MUST BE MAINTAINED.  
30           E. THE DISTRICT OR THE CITY OR TOWN SHALL NOT BE COMPELLED TO EXERCISE  
31 ANY TAXING POWER TO PAY THE BONDS OR THE INTEREST ON THE BONDS. REVENUE  
32 BONDS ISSUED UNDER THIS ARTICLE ARE NOT A DEBT OF THE DISTRICT, THE CITY OR  
33 TOWN OR THIS STATE, NOR IS THE PAYMENT OF REVENUE BONDS ENFORCEABLE OUT OF  
34 ANY MONIES OTHER THAN THE REVENUE PLEDGED TO THE PAYMENT OF THE BONDS.  
35           F. THE DISTRICT MAY ISSUE AND SELL REFUNDING BONDS TO REFUND ANY  
36 REVENUE BONDS OF THE DISTRICT.  
37           48-763. General obligation bonds; tax levy  
38           A. AT ANY TIME AFTER THE HEARING ON FORMATION OF THE DISTRICT, THE  
39 DISTRICT BOARD MAY ORDER AND CALL A GENERAL OBLIGATION BOND ELECTION AS  
40 PROVIDED BY SECTION 48-764 TO SUBMIT TO THE QUALIFIED ELECTORS OF THE  
41 DISTRICT OR TO THOSE PERSONS WHO ARE QUALIFIED TO VOTE PURSUANT TO SECTION  
42 48-764 THE QUESTION OF AUTHORIZING THE DISTRICT BOARD TO ISSUE GENERAL  
43 OBLIGATION BONDS OF THE DISTRICT TO PROVIDE MONIES FOR ANY PUBLIC  
44 INFRASTRUCTURE PURPOSES CONSISTENT WITH THE REVENUE ALLOCATION DISTRICT PLAN.

1 B. IF GENERAL OBLIGATION BONDS ARE APPROVED AT AN ELECTION, THE  
2 DISTRICT BOARD MAY ISSUE AND SELL GENERAL OBLIGATION BONDS OF THE DISTRICT.

3 C. IF GENERAL OBLIGATION BONDS ARE TO BE SOLD IN A PUBLIC OFFERING,  
4 THE BONDS SHALL NOT BE ISSUED UNLESS THEY RECEIVE ONE OF THE FOUR HIGHEST  
5 INVESTMENT GRADE RATINGS BY A NATIONALLY RECOGNIZED BOND RATING AGENCY.

6 D. AFTER GENERAL OBLIGATION BONDS ARE ISSUED, THE DISTRICT BOARD SHALL  
7 ENTER IN ITS MINUTES A RECORD OF THE BONDS SOLD AND THEIR NUMBERS AND DATES  
8 AND SHALL ANNUALLY LEVY AND CAUSE AN AD VALOREM TAX TO BE COLLECTED, AT THE  
9 SAME TIME AND IN THE SAME MANNER AS OTHER PROPERTY TAXES ARE LEVIED AND  
10 COLLECTED ON ALL TAXABLE PROPERTY IN THE DISTRICT, SUFFICIENT, TOGETHER WITH  
11 ANY MONIES FROM THE SOURCES DESCRIBED IN SECTION 48-758, TO PAY DEBT SERVICE  
12 ON THE BONDS WHEN DUE. MONIES DERIVED FROM THE LEVY OF THE TAX CONSTITUTE  
13 FUNDS TO PAY THE DEBT SERVICE ON THE BONDS AND SHALL BE KEPT SEPARATELY FROM  
14 OTHER MONIES OF THE DISTRICT.

15 E. THE AMOUNT OF INDEBTEDNESS EVIDENCED BY GENERAL OBLIGATION BONDS  
16 ISSUED UNDER THIS SECTION SHALL NOT AT ANY TIME EXCEED THE ESTIMATED PROJECT  
17 COST AS SET FORTH IN THE REVENUE ALLOCATION DISTRICT PLAN PLUS ALL COSTS  
18 CONNECTED WITH ISSUING AND SELLING THE BONDS AND CREDIT ENHANCEMENT AND  
19 LIQUIDITY SUPPORT FEES AND COSTS.

20 F. THE DISTRICT MAY ISSUE AND SELL REFUNDING BONDS TO REFUND ANY  
21 GENERAL OBLIGATION BONDS. NO ELECTION IS REQUIRED FOR ISSUING GENERAL  
22 OBLIGATION BONDS TO REFUND ANY GENERAL OBLIGATION BONDS OF THE DISTRICT.

23 48-764. Election to approve bonds; acreage voting

24 A. AT ANY TIME AFTER THE HEARING ON FORMATION OF THE DISTRICT, THE  
25 BOARD OF DIRECTORS, OR, IF BEFORE FORMATION, THE GOVERNING BODY OF THE CITY  
26 OR TOWN, MAY CALL AN ELECTION TO SUBMIT TO THE QUALIFIED ELECTORS OF THE  
27 DISTRICT AND THE OWNERS OF TAXABLE REAL AND PERSONAL PROPERTY IN THE  
28 DISTRICT, THE QUESTION OF AUTHORIZING EITHER OR BOTH:

29 1. THE ALLOCATION OF AN INCREMENTAL PORTION OF AD VALOREM TAX REVENUES  
30 FROM THE TAXABLE REAL AND PERSONAL PROPERTY IN THE DISTRICT, UNLESS OTHERWISE  
31 EXEMPT UNDER THIS ARTICLE, OR THE ALLOCATION OF THE INCREMENT OF MUNICIPAL  
32 TRANSACTION PRIVILEGE TAX REVENUES ABOVE THE BASE TRANSACTION PRIVILEGE TAX  
33 REVENUES TO FUND THE PROJECT OR PROJECTS DESCRIBED IN THE REVENUE ALLOCATION  
34 DISTRICT PLAN.

35 2. THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE DISTRICT IN SUCH  
36 SERIES, AMOUNTS AND TERMS AS DETERMINED NECESSARY TO FUND THE PROJECT OR  
37 PROJECTS DESCRIBED IN THE REVENUE ALLOCATION DISTRICT PLAN.

38 B. IF THE DISTRICT INTENDS TO ISSUE ONE OR MORE SERIES OF REVENUE  
39 BONDS, THE BOARD OF DIRECTORS MAY SUBMIT THE QUESTION OF AUTHORIZING THE  
40 ISSUANCE OF ONE OR MORE SERIES OF REVENUE BONDS FOR PROJECTS CONTAINED IN THE  
41 REVENUE ALLOCATION DISTRICT PLAN.

42 C. NOTICE OF THE ELECTION SHALL BE GIVEN BY POSTING NOTICES IN THREE  
43 PUBLIC PLACES IN THE DISTRICT AT LEAST TWENTY DAYS BEFORE THE ELECTION.  
44 NOTICE SHALL ALSO BE PUBLISHED IN A NEWSPAPER OF GENERAL CIRCULATION IN THE

1 MUNICIPALITY IN WHICH THE DISTRICT IS LOCATED ONCE A WEEK FOR TWO CONSECUTIVE  
2 WEEKS BEFORE THE ELECTION. THE NOTICE SHALL INCLUDE:

3 1. THE PLACE OF HOLDING THE ELECTION.

4 2. THE HOURS DURING THE DAY, AT LEAST SIX, IN WHICH THE POLLS WILL BE  
5 OPENED.

6 3. THAT A DISTRICT PLAN IS ON FILE IN THE OFFICE OF THE CLERK OF THE  
7 MUNICIPALITY IN WHICH THE DISTRICT IS LOCATED.

8 D. THE BOARD OF DIRECTORS OR THE GOVERNING BODY OF THE MUNICIPALITY  
9 SHALL DETERMINE THE DATE OF THE ELECTION, THE POLLING PLACES FOR THE ELECTION  
10 AND MAY CONSOLIDATE COUNTY PRECINCTS. EXCEPT AS OTHERWISE PROVIDED, THE  
11 ELECTION SHALL COMPLY WITH THE GENERAL ELECTION LAWS OF THIS STATE.

12 E. EACH OWNER OF TAXABLE REAL AND PERSONAL PROPERTY IN THE DISTRICT  
13 SHALL HAVE ONE VOTE FOR EACH ONE-FIFTH ACRE, OR LESSER PORTION ROUNDED UPWARD  
14 TO THE NEAREST ONE-FIFTH ACRE, OWNED BY THAT PERSON.

15 F. IF NO PERSON HAS REGISTERED TO VOTE IN THE DISTRICT WITHIN FIFTY  
16 DAYS IMMEDIATELY PRECEDING ANY SCHEDULED ELECTION DATE, ANY ELECTION REQUIRED  
17 TO BE HELD PURSUANT TO THIS ARTICLE SHALL BE HELD WITH THE VOTE OF THE OWNERS  
18 OF THE LAND.

19 G. THE BALLOT SHALL CONTAIN THE WORDS "DISTRICT, YES" AND "DISTRICT,  
20 NO", AND FOR REVENUE BONDS "REVENUE BONDS, YES" AND "REVENUE BONDS, NO" AND  
21 FOR GENERAL OBLIGATION BONDS "BONDS, YES" AND "BONDS, NO".

22 H. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, IF A PETITION  
23 APPROVING FORMATION OF THE DISTRICT HAS BEEN SIGNED BY ALL OF THE OWNERS OF  
24 TAXABLE REAL AND PERSONAL PROPERTY IN THE PROPOSED DISTRICT, THE MUNICIPALITY  
25 MAY WAIVE ANY OR ALL REQUIREMENTS FOR HOLDING AN ELECTION TO APPROVE  
26 FORMATION OF THE DISTRICT.

27 I. THE CITY OR TOWN GOVERNING BODY SHALL CANVASS RETURNS OF THE  
28 ELECTION WITHIN FOURTEEN DAYS AFTER AN ELECTION.

29 48-765. Terms of bonds

30 A. THE BOARD OF DIRECTORS SHALL PRESCRIBE THE DENOMINATIONS OF THE  
31 BONDS, THE SIZE OF EACH ISSUE, THE MATURITIES, INTEREST PAYMENT DATES AND  
32 INTEREST RATES, WHETHER FIXED OR VARIABLE. THE BONDS MAY BE SOLD BY  
33 COMPETITIVE BID, INCLUDING AN ONLINE BIDDING PROCESS, OR NEGOTIATED SALE FOR  
34 PUBLIC OR PRIVATE OFFERING AT, BELOW OR ABOVE PAR. IF THE BONDS ARE SOLD  
35 BELOW PAR, THE AGGREGATE AMOUNT OF DISCOUNT AND INTEREST TO BE PAID ON THE  
36 BONDS SHALL NOT EXCEED THE AMOUNT OF INTEREST THAT WOULD HAVE BEEN PAYABLE ON  
37 THOSE BONDS PURSUANT TO THE MATURITY SCHEDULE PRESCRIBED BY THE BOARD OF  
38 DIRECTORS AT THE MAXIMUM RATE SET OUT IN THE BOND RESOLUTION. FOR THE  
39 PURPOSES OF THIS SUBSECTION, "ONLINE BIDDING PROCESS" MEANS A PROCUREMENT  
40 PROCESS IN WHICH THE BOARD OF DIRECTORS RECEIVES BIDS ELECTRONICALLY OVER THE  
41 INTERNET IN A REAL-TIME, COMPETITIVE BIDDING EVENT.

42 B. THE PROCEEDS OF THE SALES SHALL BE DEPOSITED WITH THE DISTRICT  
43 TREASURER, OR WITH A TRUSTEE DESIGNATED BY THE BOARD OF DIRECTORS, TO THE  
44 CREDIT OF THE DISTRICT TO BE WITHDRAWN FOR THE PURPOSES PROVIDED BY THIS  
45 ARTICLE. PENDING THAT USE, THE PROCEEDS MAY BE INVESTED AS DETERMINED BY THE

1 BOARD OF DIRECTORS. THE BOARD OF DIRECTORS MAY PLACE ANY RESTRICTIONS ON  
2 INVESTMENT YIELD ON THE BONDS OR ANY MONIES PLEDGED TO PAY THE BONDS IF  
3 NECESSARY TO COMPLY WITH FEDERAL INCOME TAX LAWS AND REGULATIONS TO GAIN ANY  
4 FEDERAL TAX BENEFITS AVAILABLE WITH RESPECT TO THE BONDS. MONIES SHALL BE  
5 INVESTED UNDER THIS SUBSECTION IN A MANNER THAT AVOIDS ARBITRAGE PENALTIES  
6 PRESCRIBED BY FEDERAL LAW.

7 C. THE BONDS MAY CONTAIN SUCH TERMS, CONDITIONS, COVENANTS AND  
8 AGREEMENTS AS THE BOARD OF DIRECTORS CONSIDERS PROPER. THE BONDS MAY BE  
9 PAYABLE FROM ANY COMBINATION OF SOURCES DESCRIBED IN THIS ARTICLE AND AS  
10 SPECIFIED IN THE BONDS IF ALL APPLICABLE REQUIREMENTS ARE MET.

11 D. BONDS ISSUED UNDER THIS ARTICLE ARE DECLARED TO BE ISSUED FOR AN  
12 ESSENTIAL PUBLIC AND GOVERNMENTAL PURPOSE.

13 E. IF ANY OF THE PUBLIC OFFICIALS WHOSE SIGNATURES APPEAR ON BONDS  
14 ISSUED UNDER THIS ARTICLE NO LONGER HOLD OFFICE WHEN THE BONDS ARE DELIVERED,  
15 THE SIGNATURES REMAIN VALID AND SUFFICIENT FOR ALL PURPOSES.

16 F. BONDS ISSUED UNDER THIS ARTICLE ARE FULLY NEGOTIABLE WITHIN THE  
17 MEANING AND FOR ALL PURPOSES OF THE UNIFORM COMMERCIAL CODE REGARDLESS OF  
18 WHETHER THE BONDS ACTUALLY CONSTITUTE NEGOTIABLE INSTRUMENTS UNDER THE  
19 UNIFORM COMMERCIAL CODE.

20 G. IN ANY LEGAL ACTION OR PROCEEDING INVOLVING THE VALIDITY OR  
21 ENFORCEABILITY OF ANY BOND, OR THE SECURITY OF ANY BOND, ISSUED UNDER THIS  
22 ARTICLE, ANY SUCH BOND RECITING IN SUBSTANCE THAT IT HAS BEEN ISSUED IN  
23 CONNECTION WITH A PROJECT OF THE DISTRICT IS CONCLUSIVELY DEEMED TO HAVE BEEN  
24 ISSUED FOR THAT PURPOSE AND THE PROJECT IS CONCLUSIVELY DEEMED TO HAVE BEEN  
25 PLANNED, LOCATED AND CARRIED OUT AS PROVIDED BY THIS ARTICLE.

26 H. BONDS ISSUED UNDER THIS ARTICLE:

27 1. ARE GOVERNMENT OBLIGATION SECURITIES SUITABLE FOR INVESTMENT BY:  
28 (a) PUBLIC OFFICERS AND BODIES OF THIS STATE AND OF COUNTIES,  
29 MUNICIPALITIES AND OTHER POLITICAL SUBDIVISIONS OF THIS STATE.

30 (b) INSURANCE COMPANIES, ASSOCIATIONS AND OTHER PERSONS CARRYING ON AN  
31 INSURANCE BUSINESS.

32 (c) FINANCIAL INSTITUTIONS, INVESTMENT COMPANIES AND OTHER PERSONS  
33 CARRYING ON A BANKING BUSINESS.

34 (d) FIDUCIARIES.

35 (e) ALL OTHER PERSONS WHO ARE AUTHORIZED TO INVEST IN GOVERNMENT  
36 OBLIGATIONS.

37 2. ARE SECURITIES THAT MAY BE DEPOSITED WITH PUBLIC OFFICERS OR BODIES  
38 OF THIS STATE AND COUNTIES, MUNICIPALITIES AND OTHER POLITICAL SUBDIVISIONS  
39 OF THIS STATE FOR PURPOSES THAT REQUIRE THE DEPOSIT OF GOVERNMENT BONDS OR  
40 OBLIGATIONS.

41 I. IT IS THE PURPOSE OF THIS SECTION TO AUTHORIZE ANY PERSONS,  
42 POLITICAL SUBDIVISIONS AND OFFICERS, PUBLIC OR PRIVATE, TO USE ANY FUNDS  
43 OWNED OR CONTROLLED BY THEM FOR THE PURCHASE OF ANY SUCH BONDS OR OTHER  
44 OBLIGATIONS. NOTHING CONTAINED IN THIS SECTION WITH REGARD TO LEGAL

1 INVESTMENTS SHALL BE CONSTRUED AS RELIEVING ANY PERSON OF ANY DUTY OF  
2 EXERCISING REASONABLE CARE IN SELECTING SECURITIES.

3 J. EXCEPT TO THE EXTENT OF MONIES DEPOSITED IN A SPECIAL FUND OR FUNDS  
4 PURSUANT TO SECTION 48-760 AND PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF AND  
5 INTEREST ON BONDS OR OTHER OBLIGATIONS, THE DISTRICT, THE CITY OR TOWN  
6 ESTABLISHING THE DISTRICT, THIS STATE AND ANY OTHER POLITICAL SUBDIVISION OF  
7 THE STATE ARE NOT LIABLE ON ANY SUCH BONDS OR OBLIGATIONS. THE BONDS AND  
8 OTHER OBLIGATIONS:

9 1. DO NOT GIVE RISE TO ANY GENERAL OBLIGATION OR LIABILITY OF THE CITY  
10 OR TOWN, THIS STATE OR ANY OF ITS POLITICAL SUBDIVISIONS.

11 2. DO NOT GIVE RISE TO A CHARGE AGAINST THEIR GENERAL CREDIT OR TAXING  
12 POWERS.

13 3. ARE NOT PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN THE  
14 SPECIAL FUND OR FUNDS PLEDGED BY THE DISTRICT FOR THAT PURPOSE.

15 4. DO NOT CONSTITUTE AN INDEBTEDNESS OR THE PLEDGING OF FAITH AND  
16 CREDIT WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION  
17 OR RESTRICTION.

18 K. ANY DIRECT OR COLLATERAL ACTION ATTACKING OR OTHERWISE QUESTIONING  
19 THE VALIDITY OF A REVENUE ALLOCATION DISTRICT, A PROJECT, THE APPROVAL OF A  
20 REVENUE ALLOCATION DISTRICT PLAN, THE PROPOSED ISSUANCE OF BONDS UNDER THIS  
21 ARTICLE OR ANY OF THE FINDINGS OR DETERMINATIONS OF THE GOVERNING BODY OF A  
22 CITY OR TOWN IN CONNECTION WITH THE DISTRICT SHALL BE BROUGHT BEFORE THE  
23 EFFECTIVE DATE OF THE RESOLUTION AUTHORIZING THE BONDS. NO DIRECT OR  
24 COLLATERAL ACTION ATTACKING OR OTHERWISE QUESTIONING THE VALIDITY OF BONDS  
25 ISSUED PURSUANT TO THIS ARTICLE MAY BE BROUGHT BEFORE THE EFFECTIVE DATE OF  
26 THE RESOLUTION AUTHORIZING THE BONDS. FOR A PERIOD OF THIRTY DAYS AFTER THE  
27 EFFECTIVE DATE OF THE RESOLUTION AUTHORIZING THE BONDS, ANY PERSON WITH  
28 STANDING HAS THE RIGHT TO CONTEST THE LEGALITY OF THE RESOLUTION OR  
29 PROCEEDING OR ANY BONDS THAT MAY BE AUTHORIZED. NO CONTEST OR PROCEEDING TO  
30 QUESTION THE VALIDITY OR LEGALITY OF ANY RESOLUTION OR PROCEEDING, OR ANY  
31 BONDS THAT MAY BE AUTHORIZED, PASSED OR ADOPTED UNDER THIS ARTICLE MAY BE  
32 BROUGHT IN ANY COURT BY ANY PERSON FOR ANY CAUSE AFTER THE EXPIRATION OF  
33 THIRTY DAYS AFTER THE EFFECTIVE DATE OF THE RESOLUTION OR PROCEEDING. AFTER  
34 THAT TIME THE VALIDITY, LEGALITY AND REGULARITY OF THE RESOLUTION OR  
35 PROCEEDING OR ANY AUTHORIZED BONDS IS CONCLUSIVELY PRESUMED.

36 L. THE POWERS CONFERRED BY THIS ARTICLE ARE SUPPLEMENTAL AND  
37 ALTERNATIVE TO OTHER POWERS CONFERRED BY LAW. THIS ARTICLE IS INTENDED AS AN  
38 INDEPENDENT AND COMPREHENSIVE CONFERRAL OF POWERS TO ACCOMPLISH THE PURPOSES  
39 OF THIS ARTICLE.