

State of Arizona
House of Representatives
Fifty-first Legislature
First Regular Session
2013

HOUSE BILL 2456

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":
19 (a) INCLUDES:
20 (i) CAPITAL COSTS, INCLUDING THE ACTUAL COSTS OF THE CONSTRUCTION OF
21 CAPITAL IMPROVEMENTS AND INFRASTRUCTURE, THE DEMOLITION, ALTERATION,
22 REMODELING, REPAIR OR RECONSTRUCTION OF EXISTING BUILDINGS, STRUCTURES AND
23 PERMANENT FIXTURES, REGARDLESS OF WHETHER THE IMPROVEMENTS, FACILITIES,
24 BUILDINGS, STRUCTURES AND FIXTURES ARE PUBLICALLY OR PRIVATELY OWNED, THE
25 ACQUISITION OF EQUIPMENT AND THE CLEARING AND GRADING OF LAND.
26 (ii) FINANCING COSTS, INCLUDING INTEREST DURING CONSTRUCTION AND
27 CAPITALIZED DEBT SERVICE OR REPAIR AND REPLACEMENT OR OTHER APPROPRIATE
28 RESERVES.
29 (iii) REAL PROPERTY ASSEMBLY COSTS, AS ANY DEFICIT INCURRED FROM THE
30 SALE OR LEASE BY THE MUNICIPALITY OF REAL OR PERSONAL PROPERTY WITHIN THE
31 DISTRICT.
32 (iv) PROFESSIONAL SERVICE COSTS, INCLUDING COSTS INCURRED FOR
33 ARCHITECTURAL, PLANNING, ENGINEERING AND LEGAL ADVICE AND SERVICES.
34 (v) DIRECT ADMINISTRATIVE COSTS, INCLUDING REASONABLE CHARGES FOR THE
35 TIME SPENT BY MUNICIPAL EMPLOYEES IN CONNECTION WITH THE IMPLEMENTATION OF A
36 PROJECT PLAN.
37 (vi) RELOCATION COSTS.
38 (vii) OTHER RELATED COSTS INCIDENTAL TO ANY OF THE LISTED COSTS.
39 (b) DOES NOT INCLUDE:
40 (i) COSTS RELATING TO THE REPAYMENT OF GENERAL OBLIGATION BONDS ISSUED
41 BY A MUNICIPALITY IN WHICH THE DISTRICT IS LOCATED.
42 (ii) MUNICIPAL PROPERTY CORPORATION LEASES TO WHICH THE MUNICIPALITY
43 IN WHICH THE DISTRICT IS LOCATED IS A PARTY.
44 (iii) REVENUE BONDS ISSUED BY A MUNICIPALITY IN WHICH THE DISTRICT IS
45 LOCATED.

1 (iv) CERTIFICATES OF PARTICIPATION ISSUED BY A MUNICIPALITY IN WHICH
2 THE DISTRICT IS LOCATED.

3 (v) PAYMENTS OWED BY THE MUNICIPALITY TO ANY THIRD PARTY FOR THE
4 OPERATION AND MAINTENANCE OF AN ARENA, STADIUM OR SPORTS FACILITY.

5 14. "RELATED COSTS" MEANS COSTS AND EXPENSES, EXCLUSIVE OF THE ACTUAL
6 COST OF CONSTRUCTING AND FINANCING IMPROVEMENTS THAT ARE RELATED TO
7 ESTABLISHING THE DISTRICT AND REIMBURSEMENT OF SUMS ADVANCED BY THE
8 MUNICIPALITY FOR CONSTRUCTING AND FINANCING IMPROVEMENTS, EXPENDED FOR
9 ATTAINING THE PURPOSES AND GOALS FOR WHICH THE DISTRICT WAS CREATED.

10 15. "REVENUE ALLOCATION DISTRICT PLAN" OR "PLAN" MEANS A PLAN ADOPTED
11 BY A CITY OR TOWN PURSUANT TO SECTION 48-753, AS IT CURRENTLY EXISTS,
12 INCLUDING ANY METHOD OR METHODS OF FINANCING THE PLAN.

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

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

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

20 19. "TREASURER" MEANS THE PERSON OR OFFICIAL WHO PERFORMS THE DUTIES OF
21 TREASURER OF THE MUNICIPALITY OR ANY PERSON APPOINTED BY THE DISTRICT BOARD
22 AS THE DISTRICT TREASURER.

23 48-752. Formation of district; board; change in boundaries

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

29 1. THE AREA TO BE INCLUDED IN THE DISTRICT, WHICH MAY INCLUDE
30 NONCONTIGUOUS AREAS.

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

32 3. THAT THE REVENUE ALLOCATION DISTRICT PLAN IS ON FILE WITH THE
33 CLERK.

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

36 5. THE PLACE WHERE WRITTEN OBJECTIONS TO THE FORMATION OF THE DISTRICT
37 MAY BE FILED.

38 6. THAT FORMATION OF THE DISTRICT MAY RESULT IN A REVENUE ALLOCATION
39 FINANCING PROVISION THAT WILL CAUSE PROPERTY TAXES RESULTING FROM ANY
40 INCREASES IN EQUALIZED ASSESSED VALUATION IN EXCESS OF THE EQUALIZED ASSESSED
41 VALUATION AS SHOWN ON THE BASE ROLL TO BE ALLOCATED TO THE REVENUE ALLOCATION
42 DISTRICT, AND THAT AN AGREEMENT ON ADMINISTRATION OF A REVENUE ALLOCATION
43 FINANCING PROVISION HAS BEEN NEGOTIATED WITH THE CITY OR TOWN FORMING THE
44 DISTRICT.

1 SHALL EXECUTE AN AFFIDAVIT OF MAILING STATING THE DATE OF MAILING AND THE
2 NAMES AND ADDRESSES OF THE PERSONS TO WHOM THE NOTICES AND COPIES OF THE
3 RESOLUTIONS WERE MAILED. THE CLERK SHALL OBTAIN AN AFFIDAVIT FROM THE
4 NEWSPAPER IN WHICH THE PUBLICATION WAS MADE. THE CLERK SHALL CAUSE BOTH
5 AFFIDAVITS TO BE PLACED IN THE OFFICIAL RECORDS OF THE CITY OR TOWN. THE
6 AFFIDAVITS ARE CONCLUSIVE EVIDENCE OF THE MAILING AND PUBLISHING OF NOTICE.
7 NOTICE SHALL NOT BE HELD INVALID FOR FAILURE OF DELIVERY TO THE ADDRESSEE.
8 IF THE CLERK DETERMINES THAT THE PERSON LISTED ON THE ASSESSMENT ROLL IS NO
9 LONGER THE OWNER AND THE NAME AND ADDRESS OF THE SUCCESSOR OWNER BECOME
10 KNOWN, THE CLERK SHALL CAUSE A COPY OF THE NOTICE AND RESOLUTION TO BE MAILED
11 TO THE SUCCESSOR OWNER AS SOON AS PRACTICABLE AFTER LEARNING OF THE CHANGE OF
12 OWNERSHIP.

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

17 1. THAT THE OBJECTOR'S PROPERTY WOULD NOT BE BENEFITED FROM THE
18 IMPROVEMENTS LISTED IN THE REVENUE ALLOCATION DISTRICT PLAN AND THAT THE
19 PROPERTY SHOULD BE EXCLUDED FROM THE DISTRICT.

20 2. THAT THE DISTRICT SHOULD NOT BE FORMED, STATING THE SPECIFIC
21 REASONS.

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

24 F. AT THE HEARING, INCLUDING ANY ADJOURNMENTS OR CONTINUANCES, THE
25 GOVERNING BODY SHALL HEAR AND PASS ONLY ON THE WRITTEN OBJECTIONS AND THE
26 TESTIMONY AND EVIDENCE PRESENTED IN SUPPORT OF OR OPPOSITION TO THE
27 OBJECTIONS.

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

32 H. THE MINUTES OR A COPY OF A WRITTEN TRANSCRIPT OR A TAPE RECORDING
33 OF THE PROCEEDINGS OF A HEARING CONDUCTED PURSUANT TO THIS SECTION SHALL BE
34 OPEN TO PUBLIC INSPECTION THREE WORKING DAYS AFTER THE HEARING. ANY PERSON
35 MAY REQUEST TO EXAMINE OR BE FURNISHED COPIES, PRINTOUTS, PHOTOGRAPHS,
36 TRANSCRIPTS OR RECORDINGS OF A HEARING DURING REGULAR OFFICE HOURS OF THE
37 GOVERNING BODY. THE CUSTODIAN OF THE RECORDS SHALL FURNISH THE MATERIALS AND
38 MAY CHARGE A REASONABLE FEE THAT DOES NOT EXCEED THE ACTUAL COST OF
39 REPRODUCING THE ITEM REQUESTED.

40 I. AFTER THE HEARING, THE GOVERNING BODY MAY ADOPT A RESOLUTION
41 ORDERING THE FORMATION OF THE DISTRICT, DELETING ANY PROPERTY DETERMINED NOT
42 TO BE NECESSARY OR MODIFYING THE REVENUE ALLOCATION DISTRICT PLAN AND THEN
43 ORDERING THE FORMATION OF THE DISTRICT OR DETERMINING THAT THE DISTRICT NOT
44 BE FORMED. A RESOLUTION ORDERING FORMATION OF THE DISTRICT SHALL STATE THE
45 NAMES AND TERMS OF OFFICE OF THE INITIAL DIRECTORS OR, IF THE GOVERNING BODY

1 ELECTS TO SERVE AS THE GOVERNING BODY OF THE DISTRICT, THAT DETERMINATION
2 SHALL BE INCLUDED IN THE ORDER OF FORMATION.

3 J. IF THE FORMATION OF THE DISTRICT IS APPROVED, THE GOVERNING BODY
4 SHALL ORDER THE FORMATION, APPOINT THE INITIAL BOARD OF DIRECTORS, SET THE
5 BOUNDARIES OF THE DISTRICT AND ORDER THAT A MAP SHOWING THE BOUNDARIES BE
6 DRAWN AND A COPY OF THE ORDER FORMING THE DISTRICT BE DELIVERED TO THE BOARD
7 OF SUPERVISORS OF THE COUNTY IN WHICH THE DISTRICT IS LOCATED AND TO THE
8 DEPARTMENT OF REVENUE. THE DISTRICT MUST BE LOCATED ENTIRELY WITHIN THE
9 EXTERIOR BOUNDARIES OF THE CITY OR TOWN AND MAY INCLUDE NONCONTIGUOUS AREAS.
10 A NOTICE OF THE FORMATION SHOWING THE NUMBER AND DATE OF THE ORDER AND GIVING
11 A DESCRIPTION OF THE LAND INCLUDED IN THE DISTRICT SHALL BE RECORDED WITH THE
12 COUNTY RECORDER.

13 K. AN AREA MAY BE DELETED FROM THE DISTRICT OR AN AREA CONTIGUOUS TO
14 THE EXISTING DISTRICT ADDED TO THE DISTRICT FOLLOWING THE SAME PROCEDURE
15 PRESCRIBED BY THIS SECTION FOR THE FORMATION OF THE DISTRICT AND ADOPTION OF
16 A RESOLUTION BY THE GOVERNING BODY OF THE CITY OR TOWN. THE CITY OR TOWN
17 SHALL IMMEDIATELY NOTIFY THE COUNTY ASSESSOR AND THE DEPARTMENT OF REVENUE OF
18 ANY DELETIONS FROM AND ADDITIONS TO THE DISTRICT OCCURRING UNDER THIS
19 SUBSECTION.

20 L. ON ITS FORMATION, THE DISTRICT IS A CORPORATE AND POLITICAL BODY
21 AND, EXCEPT AS OTHERWISE LIMITED, MODIFIED OR PROVIDED BY THIS ARTICLE, HAS
22 ALL OF THE RIGHTS, POWERS AND IMMUNITIES OF MUNICIPAL CORPORATIONS, INCLUDING
23 AS PROVIDED BY TITLE 35, CHAPTER 3, ARTICLES 3, 3.1, 3.2, 4 AND 5. EXCEPT AS
24 OTHERWISE PROVIDED IN THIS ARTICLE, A DISTRICT IS CONSIDERED TO BE A
25 MUNICIPAL CORPORATION AND POLITICAL SUBDIVISION OF THIS STATE, SEPARATE AND
26 APART FROM THE CITY OR TOWN.

27 M. THE FORMATION OF A REVENUE ALLOCATION DISTRICT, THE ADOPTION OF A
28 REVENUE ALLOCATION PLAN, THE ISSUING OF GENERAL OBLIGATION OR REVENUE BONDS
29 AND THE IMPOSITION OF USE CHARGES PURSUANT TO THIS ARTICLE ARE DECLARED TO BE
30 A PUBLIC BENEFIT.

31 N. THE DISTRICT HAS PERPETUAL SUCCESSION.

32 48-753. Revenue allocation district plan

33 A. BEFORE ADOPTING A RESOLUTION TO ESTABLISH A DISTRICT PURSUANT TO
34 SECTION 48-752, THE CITY OR TOWN MUST ADOPT A REVENUE ALLOCATION DISTRICT
35 PLAN, FILED WITH THE CLERK, PROVIDING A GENERAL DESCRIPTION OF THE OPERATION
36 AND FINANCING OF THE DISTRICT, THE CAPITAL IMPROVEMENTS AND OTHER PROJECTS
37 FOR WHICH THE DISTRICT IS PROPOSED TO BE FORMED AND THE GEOGRAPHICAL LOCATION
38 AND BOUNDARIES OF THE DISTRICT.

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

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

1 48-754. Powers

2 IN ADDITION TO THE POWERS OTHERWISE GRANTED TO A DISTRICT PURSUANT TO
3 THIS ARTICLE, TO FURTHER THE REVENUE ALLOCATION DISTRICT PLAN, THE DISTRICT
4 MAY:

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

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

14 3. SELL, LEASE OR OTHERWISE DISPOSE OF PROPERTY IF THE SALE, LEASE OR
15 CONVEYANCE IS NOT A VIOLATION OF THE TERMS OF ANY CONTRACT OR BOND RESOLUTION
16 OF THE DISTRICT.

17 4. REIMBURSE THE CITY OR TOWN FOR DIRECT ADMINISTRATIVE COSTS ARISING
18 OUT OF PROVIDING SERVICES TO THE DISTRICT.

19 5. PLAN, DESIGN, INSPECT, OWN, CONTROL, MAINTAIN, OPERATE AND REPAIR
20 PROJECTS.

21 6. ESTABLISH, CHARGE AND COLLECT USER FEES, RATES OR CHARGES FOR THE
22 USE OF ANY PROJECT IN THE DISTRICT.

23 7. EMPLOY STAFF, COUNSEL AND CONSULTANTS.

24 8. ACCEPT GIFTS OR GRANTS AND INCUR AND REPAY LOANS FOR ANY PROJECT
25 PURPOSE.

26 9. ENTER INTO AGREEMENTS WITH THE CITY OR TOWN FOR THE ALLOCATION OF
27 THE TAX ON INCREMENT VALUE OF PROPERTY IN THE DISTRICT OR THE ALLOCATION OF
28 BOND PROCEEDS SUPPORTED BY A GENERAL OBLIGATION PROPERTY TAX LEVY PURSUANT TO
29 THE ADOPTED REVENUE ALLOCATION DISTRICT PLAN.

30 10. BY RESOLUTION, PLEDGE AN ALLOCATION OF INCREMENT VALUE OR BOND
31 PROCEEDS SUPPORTED BY A GENERAL OBLIGATION PROPERTY TAX TO FINANCE THE COSTS
32 OF ANY PROJECT IN THE DISTRICT.

33 11. PAY THE FINANCIAL, LEGAL AND ADMINISTRATIVE COSTS OF THE DISTRICT
34 INCLUDING ANY COSTS INCURRED BY THE DEPARTMENT OF REVENUE FOR THE PREPARATION
35 OF INFORMATION RELATING TO INCREMENTAL INCREASES IN PROPERTY TAX REVENUES.

36 12. ENTER INTO CONTRACTS, AGREEMENTS AND TRUST INDENTURES TO OBTAIN
37 CREDIT ENHANCEMENT OR LIQUIDITY SUPPORT FOR ITS BONDS AND PROCESS THE
38 ISSUANCE, REGISTRATION, TRANSFER AND PAYMENT OF ITS BONDS AND THE
39 DISBURSEMENT AND INVESTMENT OF PROCEEDS OF THE BONDS.

40 13. WITH THE CONSENT OF THE GOVERNING BODY OF THE CITY OR TOWN THAT
41 FORMED THE DISTRICT:

42 (a) FOR THE PURPOSE OF IMPLEMENTING A PROJECT CONTAINED IN THE PROJECT
43 PLAN, ENTER INTO AGREEMENTS WITH PERSONS OUTSIDE OF THE DISTRICT TO PROVIDE
44 ACCESS TO A PROJECT TO PERSONS AND PROPERTY OUTSIDE OF THE DISTRICT.

1 (b) USE PUBLIC EASEMENTS AND RIGHTS-OF-WAY IN OR ACROSS PUBLIC
2 PROPERTY, ROADWAYS, HIGHWAYS, STREETS OR OTHER THOROUGHFARES AND OTHER PUBLIC
3 EASEMENTS AND RIGHTS-OF-WAY.

4 14. ADOPT AND CHANGE A SEAL.

5 15. SUE AND BE SUED.

6 16. ENTER INTO DEVELOPMENT AGREEMENTS, AS DEFINED IN SECTION 9-500.05,
7 TO CARRY OUT THE POWERS AND DUTIES OF THE DISTRICT AS SET FORTH IN THIS
8 ARTICLE.

9 17. ADMINISTER, IN A REASONABLE MANNER, THE IMPLEMENTATION OF THE
10 REVENUE ALLOCATION DISTRICT PLAN.

11 48-755. Records; open meetings

12 A. THE DISTRICT SHALL KEEP THE FOLLOWING RECORDS, WHICH SHALL BE OPEN
13 TO PUBLIC INSPECTION:

14 1. MINUTES OF ALL MEETINGS OF THE BOARD OF DIRECTORS.

15 2. ALL RESOLUTIONS.

16 3. ACCOUNTS SHOWING ALL MONIES RECEIVED AND DISBURSED.

17 4. THE ANNUAL BUDGET.

18 5. ALL OTHER RECORDS REQUIRED TO BE MAINTAINED BY LAW.

19 B. IF THE BOARD OF DIRECTORS IS APPOINTED BY THE GOVERNING BODY OF THE
20 CITY OR TOWN, EACH DIRECTOR SHALL SERVE FOR A TERM OF SIX YEARS, EXCEPT THAT
21 TWO DIRECTORS INITIALLY APPOINTED BY THE GOVERNING BODY, SELECTED BY LOT,
22 SHALL SERVE FOR A TERM OF FOUR YEARS. ON THE EXPIRATION OF THE TERM OF AN
23 APPOINTED DIRECTOR, THE GOVERNING BODY SHALL APPOINT A PERSON TO FILL THE
24 POSITION. IF A VACANCY OCCURS BECAUSE OF DEATH, RESIGNATION OR INABILITY OF
25 THE DIRECTOR TO DISCHARGE THE DUTIES OF DIRECTOR, THE VACANCY SHALL BE FILLED
26 BY INTERIM APPOINTMENT MADE BY THE GOVERNING BODY FOR THE REMAINDER OF THE
27 UNEXPIRED TERM UNTIL THE MEMBER'S SUCCESSOR IS APPOINTED. AN APPOINTED
28 DIRECTOR SHALL NOT BE AN ELECTED OFFICIAL OF THE CITY OR TOWN, UNLESS THE
29 GOVERNING BODY OF THE CITY OR TOWN SERVES AS THE BOARD OF DIRECTORS OF THE
30 DISTRICT.

31 C. THE BOARD OF DIRECTORS SHALL COMPLY WITH TITLE 38, CHAPTER 3,
32 ARTICLE 3.1 AS A SEPARATE POLITICAL SUBDIVISION.

33 D. THE CLERK AND TREASURER OF THE DISTRICT SHALL BE THE CLERK AND THE
34 FINANCE DIRECTOR OF THE CITY OR TOWN, RESPECTIVELY, UNLESS THE BOARD OF
35 DIRECTORS APPOINTS A SEPARATE CLERK AND TREASURER OF THE DISTRICT. THE
36 GOVERNING BODY OF THE CITY OR TOWN MAY DESIGNATE ITS MUNICIPAL MANAGER AND
37 MUNICIPAL ATTORNEY TO SERVE AS THE MANAGER AND COUNSEL OF THE DISTRICT.

38 48-756. Recording documents

39 THE BOARD OF DIRECTORS SHALL FILE AND RECORD WITH THE COUNTY RECORDER
40 THE ORDER FORMING THE DISTRICT, THE REVENUE ALLOCATION DISTRICT PLAN AND THE
41 CANVASS OF ANY BOND ELECTION UNDER SECTION 48-764 AND SUBMIT COPIES OF ALL
42 SUCH INFORMATION TO THE STATE REAL ESTATE DEPARTMENT.

43 48-757. Dissolution of district

44 A. A DISTRICT MAY BE DISSOLVED BY THE BOARD OF DIRECTORS BY A
45 RESOLUTION OF THE BOARD IF THE FOLLOWING CONDITIONS EXIST:

1 1. ALL OF THE PROPERTY OWNED BY THE DISTRICT HAS BEEN OR WILL BE
2 CONVEYED TO THE CITY OR TOWN.

3 2. EITHER THE DISTRICT HAS NO OBLIGATIONS OR THE CITY OR TOWN HAS
4 ASSUMED ALL OF THE OBLIGATIONS OF THE DISTRICT.

5 3. ALL BONDS ISSUED BY THE DISTRICT SUPPORTED BY A PLEDGE OF PROPERTY
6 TAX REVENUES HAVE BEEN PAID IN FULL.

7 B. THE BOARD OF DIRECTORS SHALL COMPLY WITH THE CONDITIONS PRESCRIBED
8 BY SUBSECTION A OF THIS SECTION AND SHALL DISSOLVE THE DISTRICT IF BOTH OF
9 THE FOLLOWING OCCUR:

10 1. THE BOARD OF DIRECTORS HAS CONSENTED TO COMPLY WITH THE CONDITIONS
11 PRESCRIBED BY SUBSECTION A OF THIS SECTION AND DETERMINES THAT THE DISTRICT
12 HAS BEEN INACTIVE FOR AT LEAST FIVE CONSECUTIVE YEARS AND HAS NO FUTURE
13 PURPOSE.

14 2. THE BOARD OF DIRECTORS ADOPTS A RESOLUTION DISSOLVING THE DISTRICT
15 AND RECORDS THE RESOLUTION IN THE OFFICE OF THE COUNTY RECORDER.

16 C. THE DISTRICT MAY NOT BE DISSOLVED IF ANY REVENUE BONDS OF THE
17 DISTRICT REMAIN OUTSTANDING UNLESS AN AMOUNT OF MONEY SUFFICIENT, TOGETHER
18 WITH INVESTMENT INCOME, TO MAKE ALL PAYMENTS DUE ON THE REVENUE BONDS EITHER
19 AT MATURITY OR PRIOR REDEMPTION HAS BEEN DEPOSITED WITH A TRUSTEE OR ESCROW
20 AGENT AND PLEDGED TO THE PAYMENT AND REDEMPTION OF THE BONDS. THE DISTRICT
21 MAY CONTINUE TO OPERATE AFTER DISSOLUTION ONLY AS NEEDED TO COLLECT MONEY AND
22 MAKE PAYMENTS ON ANY OUTSTANDING BONDS.

23 48-758. Financing projects; sources of revenue

24 A. THE PROJECTS TO BE CONSTRUCTED OR ACQUIRED PURSUANT TO THE REVENUE
25 ALLOCATION DISTRICT PLAN MAY BE FINANCED FROM ONE OR MORE OF THE FOLLOWING
26 REVENUE SOURCES:

27 1. PROCEEDS FROM THE SALE OF REVENUE BONDS OF THE DISTRICT.

28 2. TAX REVENUES FROM THE INCREMENT VALUE OF TAXABLE REAL AND PERSONAL
29 PROPERTY ALLOCATED BY THE CITY OR TOWN TO THE DISTRICT ACCORDING TO THE
30 REVENUE ALLOCATION DISTRICT PLAN.

31 3. INCREMENTAL INCREASES IN TRANSACTION PRIVILEGE TAX REVENUE
32 ACCORDING TO THE REVENUE ALLOCATION DISTRICT PLAN.

33 4. PROCEEDS FROM THE SALE OF GENERAL OBLIGATION BONDS OF THE DISTRICT.

34 5. STATE, FEDERAL AND PRIVATE GRANTS AND CONTRIBUTIONS.

35 6. ANY OTHER MONIES LAWFULLY AVAILABLE TO THE DISTRICT.

36 B. THE DISTRICT MAY ESTABLISH, CHARGE AND COLLECT USER FEES, RATES OR
37 CHARGES FOR THE USE OF ANY PROJECT IN THE DISTRICT AS PROVIDED BY SECTION
38 48-754, PARAGRAPH 6.

39 48-759. Determination and allocation of property tax revenue
40 increments

41 A. THE ALLOCATION OF AD VALOREM PROPERTY TAX INCREMENTS WITHIN A
42 REVENUE ALLOCATION DISTRICT SHALL BE CALCULATED USING PRIMARY PROPERTY TAXES
43 LEVIED BY THE CITY OR TOWN IN WHICH THE DISTRICT IS LOCATED. SECONDARY
44 PROPERTY TAX LEVIES AND PROPERTY TAX LEVIES BY ALL OTHER POLITICAL

1 SUBDIVISIONS OF THIS STATE, OTHER THAN THE CITY OR TOWN IN WHICH THE DISTRICT
2 IS LOCATED, ARE NOT AFFECTED BY THE DISTRICT.

3 B. THE AMOUNT OF PROPERTY TAX REVENUES COLLECTED WITHIN THE DISTRICT
4 FROM THE PRIMARY PROPERTY TAX LEVY ON THE CURRENT TAX ROLL BY THE CITY OR
5 TOWN IN WHICH THE DISTRICT IS LOCATED, MINUS THE AMOUNT OF REVENUES COLLECTED
6 WITHIN THE DISTRICT FROM THE PRIMARY PROPERTY TAX LEVY ON THE BASE ROLL BY
7 THE CITY OR TOWN IN WHICH THE DISTRICT IS LOCATED SHALL BE ALLOCATED TO THE
8 REVENUE ALLOCATION DISTRICT.

9 C. THE INCREMENTAL AMOUNT OF TRANSACTION PRIVILEGE TAX REVENUES THAT
10 MAY BE ALLOCATED TO THE DISTRICT IS THE TOTAL AMOUNT OF MUNICIPAL TRANSACTION
11 PRIVILEGE TAX REVENUES COLLECTED BY THE CITY OR TOWN WITHIN THE DISTRICT IN
12 THE CURRENT FISCAL YEAR, MINUS THE BASE TRANSACTION PRIVILEGE TAX AND ANY
13 OTHER TRANSACTION PRIVILEGE TAX REVENUES NOT PLEDGED FOR PROJECTS IN THE
14 DISTRICT PLAN. AN INCREASE IN THE RATE OF TRANSACTION PRIVILEGE TAX BY THE
15 MUNICIPALITY SHALL BE INCLUDED IN THE BASE TRANSACTION PRIVILEGE TAX.

16 D. ALL TAX INCREMENT REVENUES ALLOCATED TO THE DISTRICT SHALL BE
17 CREDITED TO ONE OR MORE SPECIAL FUNDS ESTABLISHED PURSUANT TO SECTION 48-760.

18 48-760. General fund; special fund

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

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

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

31 48-761. Statements and estimates of expenses; annual budget

32 A. THE BOARD OF DIRECTORS SHALL MAKE ANNUAL STATEMENTS AND ESTIMATES
33 OF THE OPERATION AND MAINTENANCE EXPENSES OF THE DISTRICT, THE COSTS OF
34 PROJECTS TO BE FINANCED AND THE AMOUNT OF ALL OTHER PROPOSED EXPENDITURES TO
35 BE PAID FROM THE INCREMENT OF TRANSACTION PRIVILEGE TAXES IMPOSED BY THE CITY
36 OR TOWN FORMING THE DISTRICT OR THE INCREMENT OF PRIMARY PROPERTY TAXES
37 IDENTIFIED IN THE PROJECT PLAN TO BE USED FOR PROJECTS UNDERTAKEN BY THE
38 DISTRICT. THE STATEMENTS AND ESTIMATES SHALL INCLUDE THE AMOUNT OF ALL OTHER
39 PROPOSED EXPENDITURES FOR MAINTENANCE AND OPERATION OF THE DISTRICT TO BE
40 PAID FROM OTHER SOURCES OF REVENUE. THE BOARD OF DIRECTORS SHALL FILE THE
41 ANNUAL STATEMENTS AND ESTIMATES WITH THE CLERK, PUBLISH A NOTICE OF THE
42 FILING OF THE ESTIMATE AND HOLD HEARINGS ON THE PORTIONS OF THE ESTIMATE NOT
43 RELATING TO DEBT SERVICE ON BONDS.

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

4 C. THE BOARD OF DIRECTORS SHALL HOLD A PUBLIC HEARING ON THE PROPOSED
5 BUDGET. THE GOVERNING BODY OF THE PARTICIPATING CITY OR TOWN SHALL REVIEW
6 THE PROPOSED ANNUAL BUDGET AND MAY SUBMIT WRITTEN COMMENTS TO THE BOARD OF
7 DIRECTORS FOR ITS ASSISTANCE AND INFORMATION. THE BOARD OF DIRECTORS SHALL
8 THEN DIRECT THAT THE PROPOSED ANNUAL BUDGET BE PUBLISHED IN A NEWSPAPER OF
9 GENERAL CIRCULATION IN THE DISTRICT.

10 D. AT LEAST FOURTEEN DAYS AFTER THE HEARING, BUT NO LATER THAN OCTOBER
11 1, THE BOARD OF DIRECTORS MUST ADOPT THE FINAL BUDGET FOR THE FISCAL YEAR.
12 THE ADOPTED BUDGET MAY NOT EXCEED THE PROPOSED BUDGET OF TENTATIVE REVENUES
13 AND EXPENDITURES.

14 48-762. Revenue bonds

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

18 1. REVENUE BONDS OF THE DISTRICT TO PROVIDE MONIES FOR ANY PROJECT
19 CONSISTENT WITH THE REVENUE ALLOCATION DISTRICT PLAN.

20 2. GENERAL OBLIGATION BONDS OF THE DISTRICT TO PROVIDE MONIES FOR ANY
21 PROJECT CONSISTENT WITH THE REVENUE ALLOCATION DISTRICT PLAN.

22 B. IF AUTHORIZED BY AN ELECTION HELD PURSUANT TO SECTION 48-764, THE
23 BOARD OF DIRECTORS MAY:

24 1. ISSUE AND SELL REVENUE BONDS OF THE DISTRICT IF APPROVED BY
25 RESOLUTION OF THE BOARD OF DIRECTORS.

26 2. AS PROVIDED BY SECTION 48-763, ISSUE AND SELL GENERAL OBLIGATION
27 BONDS OF THE DISTRICT IF APPROVED BY RESOLUTION OF THE BOARD OF DIRECTORS.

28 3. ENTER INTO AN INTERGOVERNMENTAL AGREEMENT UNDER THIS ARTICLE TO
29 PERMIT AN INDUSTRIAL DEVELOPMENT AUTHORITY FORMED UNDER TITLE 35, CHAPTER 5
30 TO ISSUE BONDS FOR A PROJECT IN THE DISTRICT PLAN AND TO PLEDGE REVENUES OF
31 THE DISTRICT FOR REPAYMENT OF THE INDUSTRIAL DEVELOPMENT AUTHORITY BONDS, THE
32 EXPENSES OF ISSUING THE BONDS AND FUNDING DEBT SERVICE RESERVE ACCOUNTS AND
33 BOND INSURANCE.

34 4. PLEDGE TO THE PAYMENT OF ITS REVENUE BONDS ANY REVENUES OF THE
35 DISTRICT OR REVENUES TO BE COLLECTED BY THE MUNICIPALITY IN TRUST FOR THE
36 DISTRICT AND PAID TO THE DISTRICT.

37 C. THE DISTRICT SHALL PRESCRIBE, AND REVISE AS NECESSARY, FEES AND
38 CHARGES TO GENERATE REVENUE SUFFICIENT, TOGETHER WITH ANY MONIES FROM THE
39 SOURCES DESCRIBED IN SECTION 48-758, TO PAY WHEN DUE THE PRINCIPAL AND
40 INTEREST OF ALL REVENUE BONDS FOR THE PAYMENT OF WHICH REVENUE HAS BEEN
41 PLEDGED. THE ESTABLISHMENT OR REVISION OF ANY RATES, FEES AND CHARGES SHALL
42 BE IDENTIFIED AND NOTICED CONCURRENTLY WITH THE ANNUAL BUDGET PROCESS OF THE
43 DISTRICT PURSUANT TO SECTION 48-761.

1 D. IF, IN THE RESOLUTION OF THE BOARD OF DIRECTORS, THE REVENUES TO BE
2 PLEDGED ARE LIMITED TO CERTAIN TYPES OF REVENUES, ONLY THOSE TYPES OF
3 REVENUES MAY BE PLEDGED AND ONLY THOSE REVENUES MUST BE MAINTAINED.

4 E. THE DISTRICT OR THE CITY OR TOWN SHALL NOT BE COMPELLED TO EXERCISE
5 ANY TAXING POWER TO PAY THE BONDS OR THE INTEREST ON THE BONDS. REVENUE
6 BONDS ISSUED UNDER THIS ARTICLE ARE NOT A DEBT OF THE DISTRICT, THE CITY OR
7 TOWN OR THIS STATE, NOR IS THE PAYMENT OF REVENUE BONDS ENFORCEABLE OUT OF
8 ANY MONIES OTHER THAN THE REVENUE PLEDGED TO THE PAYMENT OF THE BONDS.

9 F. THE DISTRICT MAY ISSUE AND SELL REFUNDING BONDS TO REFUND ANY
10 REVENUE BONDS OF THE DISTRICT.

11 48-763. General obligation bonds; tax levy

12 A. AT ANY TIME AFTER THE HEARING ON FORMATION OF THE DISTRICT, THE
13 DISTRICT BOARD MAY ORDER AND CALL A GENERAL OBLIGATION BOND ELECTION AS
14 PROVIDED BY SECTION 48-764 TO SUBMIT TO THE QUALIFIED ELECTORS OF THE
15 DISTRICT OR TO THOSE PERSONS WHO ARE QUALIFIED TO VOTE PURSUANT TO SECTION
16 48-764 THE QUESTION OF AUTHORIZING THE DISTRICT BOARD TO ISSUE GENERAL
17 OBLIGATION BONDS OF THE DISTRICT TO PROVIDE MONIES FOR ANY PUBLIC
18 INFRASTRUCTURE PURPOSES CONSISTENT WITH THE REVENUE ALLOCATION DISTRICT PLAN.

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

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

24 D. AFTER GENERAL OBLIGATION BONDS ARE ISSUED, THE DISTRICT BOARD SHALL
25 ENTER IN ITS MINUTES A RECORD OF THE BONDS SOLD AND THEIR NUMBERS AND DATES
26 AND SHALL ANNUALLY LEVY AND CAUSE AN AD VALOREM TAX TO BE COLLECTED, AT THE
27 SAME TIME AND IN THE SAME MANNER AS OTHER PROPERTY TAXES ARE LEVIED AND
28 COLLECTED ON ALL TAXABLE PROPERTY IN THE DISTRICT, SUFFICIENT, TOGETHER WITH
29 ANY MONIES FROM THE SOURCES DESCRIBED IN SECTION 48-758, TO PAY DEBT SERVICE
30 ON THE BONDS WHEN DUE. MONIES DERIVED FROM THE LEVY OF THE TAX CONSTITUTE
31 FUNDS TO PAY THE DEBT SERVICE ON THE BONDS AND SHALL BE KEPT SEPARATELY FROM
32 OTHER MONIES OF THE DISTRICT.

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

38 F. THE DISTRICT MAY ISSUE AND SELL REFUNDING BONDS TO REFUND ANY
39 GENERAL OBLIGATION BONDS. NO ELECTION IS REQUIRED FOR ISSUING GENERAL
40 OBLIGATION BONDS TO REFUND ANY GENERAL OBLIGATION BONDS OF THE DISTRICT.

1 48-764. Election to approve bonds: acreage voting

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

7 1. THE ALLOCATION OF AN INCREMENTAL PORTION OF AD VALOREM TAX REVENUES
8 FROM THE TAXABLE REAL AND PERSONAL PROPERTY IN THE DISTRICT, UNLESS OTHERWISE
9 EXEMPT UNDER THIS ARTICLE, OR THE ALLOCATION OF THE INCREMENT OF MUNICIPAL
10 TRANSACTION PRIVILEGE TAX REVENUES ABOVE THE BASE TRANSACTION PRIVILEGE TAX
11 REVENUES TO FUND THE PROJECT OR PROJECTS DESCRIBED IN THE REVENUE ALLOCATION
12 DISTRICT PLAN.

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

16 B. IF THE DISTRICT INTENDS TO ISSUE ONE OR MORE SERIES OF REVENUE
17 BONDS, THE BOARD OF DIRECTORS MAY SUBMIT THE QUESTION OF AUTHORIZING THE
18 ISSUANCE OF ONE OR MORE SERIES OF REVENUE BONDS FOR PROJECTS CONTAINED IN THE
19 REVENUE ALLOCATION DISTRICT PLAN.

20 C. NOTICE OF THE ELECTION SHALL BE GIVEN BY POSTING NOTICES IN THREE
21 PUBLIC PLACES IN THE DISTRICT AT LEAST TWENTY DAYS BEFORE THE ELECTION.
22 NOTICE SHALL ALSO BE PUBLISHED IN A NEWSPAPER OF GENERAL CIRCULATION IN THE
23 MUNICIPALITY IN WHICH THE DISTRICT IS LOCATED ONCE A WEEK FOR TWO CONSECUTIVE
24 WEEKS BEFORE THE ELECTION. THE NOTICE SHALL INCLUDE:

25 1. THE PLACE OF HOLDING THE ELECTION.

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

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

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

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

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

41 G. THE BALLOT SHALL CONTAIN THE WORDS "DISTRICT, YES" AND "DISTRICT,
42 NO", AND FOR REVENUE BONDS "REVENUE BONDS, YES" AND "REVENUE BONDS, NO" AND
43 FOR GENERAL OBLIGATION BONDS "BONDS, YES" AND "BONDS, NO".

44 H. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, IF A PETITION
45 APPROVING FORMATION OF THE DISTRICT HAS BEEN SIGNED BY ALL OF THE OWNERS OF

1 TAXABLE REAL AND PERSONAL PROPERTY IN THE PROPOSED DISTRICT, THE MUNICIPALITY
2 MAY WAIVE ANY OR ALL REQUIREMENTS FOR HOLDING AN ELECTION TO APPROVE
3 FORMATION OF THE DISTRICT.

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

6 48-765. Terms of bonds

7 A. THE BOARD OF DIRECTORS SHALL PRESCRIBE THE DENOMINATIONS OF THE
8 BONDS, THE SIZE OF EACH ISSUE, THE MATURITIES, INTEREST PAYMENT DATES AND
9 INTEREST RATES, WHETHER FIXED OR VARIABLE. THE BONDS MAY BE SOLD BY
10 COMPETITIVE BID, INCLUDING AN ONLINE BIDDING PROCESS, OR NEGOTIATED SALE FOR
11 PUBLIC OR PRIVATE OFFERING AT, BELOW OR ABOVE PAR. IF THE BONDS ARE SOLD
12 BELOW PAR, THE AGGREGATE AMOUNT OF DISCOUNT AND INTEREST TO BE PAID ON THE
13 BONDS SHALL NOT EXCEED THE AMOUNT OF INTEREST THAT WOULD HAVE BEEN PAYABLE ON
14 THOSE BONDS PURSUANT TO THE MATURITY SCHEDULE PRESCRIBED BY THE BOARD OF
15 DIRECTORS AT THE MAXIMUM RATE SET OUT IN THE BOND RESOLUTION. FOR THE
16 PURPOSES OF THIS SUBSECTION, "ONLINE BIDDING PROCESS" MEANS A PROCUREMENT
17 PROCESS IN WHICH THE BOARD OF DIRECTORS RECEIVES BIDS ELECTRONICALLY OVER THE
18 INTERNET IN A REAL-TIME, COMPETITIVE BIDDING EVENT.

19 B. THE PROCEEDS OF THE SALES SHALL BE DEPOSITED WITH THE DISTRICT
20 TREASURER, OR WITH A TRUSTEE DESIGNATED BY THE BOARD OF DIRECTORS, TO THE
21 CREDIT OF THE DISTRICT TO BE WITHDRAWN FOR THE PURPOSES PROVIDED BY THIS
22 ARTICLE. PENDING THAT USE, THE PROCEEDS MAY BE INVESTED AS DETERMINED BY THE
23 BOARD OF DIRECTORS. THE BOARD OF DIRECTORS MAY PLACE ANY RESTRICTIONS ON
24 INVESTMENT YIELD ON THE BONDS OR ANY MONIES PLEDGED TO PAY THE BONDS IF
25 NECESSARY TO COMPLY WITH FEDERAL INCOME TAX LAWS AND REGULATIONS TO GAIN ANY
26 FEDERAL TAX BENEFITS AVAILABLE WITH RESPECT TO THE BONDS. MONIES SHALL BE
27 INVESTED UNDER THIS SUBSECTION IN A MANNER THAT AVOIDS ARBITRAGE PENALTIES
28 PRESCRIBED BY FEDERAL LAW.

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

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

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

38 F. BONDS ISSUED UNDER THIS ARTICLE ARE FULLY NEGOTIABLE WITHIN THE
39 MEANING AND FOR ALL PURPOSES OF THE UNIFORM COMMERCIAL CODE REGARDLESS OF
40 WHETHER THE BONDS ACTUALLY CONSTITUTE NEGOTIABLE INSTRUMENTS UNDER THE
41 UNIFORM COMMERCIAL CODE.

42 G. IN ANY LEGAL ACTION OR PROCEEDING INVOLVING THE VALIDITY OR
43 ENFORCEABILITY OF ANY BOND, OR THE SECURITY OF ANY BOND, ISSUED UNDER THIS
44 ARTICLE, ANY SUCH BOND RECITING IN SUBSTANCE THAT IT HAS BEEN ISSUED IN
45 CONNECTION WITH A PROJECT OF THE DISTRICT IS CONCLUSIVELY DEEMED TO HAVE BEEN

1 ISSUED FOR THAT PURPOSE AND THE PROJECT IS CONCLUSIVELY DEEMED TO HAVE BEEN
2 PLANNED, LOCATED AND CARRIED OUT AS PROVIDED BY THIS ARTICLE.

3 H. BONDS ISSUED UNDER THIS ARTICLE:

4 1. ARE GOVERNMENT OBLIGATION SECURITIES SUITABLE FOR INVESTMENT BY:

5 (a) PUBLIC OFFICERS AND BODIES OF THIS STATE AND OF COUNTIES,
6 MUNICIPALITIES AND OTHER POLITICAL SUBDIVISIONS OF THIS STATE.

7 (b) INSURANCE COMPANIES, ASSOCIATIONS AND OTHER PERSONS CARRYING ON AN
8 INSURANCE BUSINESS.

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

11 (d) FIDUCIARIES.

12 (e) ALL OTHER PERSONS WHO ARE AUTHORIZED TO INVEST IN GOVERNMENT
13 OBLIGATIONS.

14 2. ARE SECURITIES THAT MAY BE DEPOSITED WITH PUBLIC OFFICERS OR BODIES
15 OF THIS STATE AND COUNTIES, MUNICIPALITIES AND OTHER POLITICAL SUBDIVISIONS
16 OF THIS STATE FOR PURPOSES THAT REQUIRE THE DEPOSIT OF GOVERNMENT BONDS OR
17 OBLIGATIONS.

18 I. IT IS THE PURPOSE OF THIS SECTION TO AUTHORIZE ANY PERSONS,
19 POLITICAL SUBDIVISIONS AND OFFICERS, PUBLIC OR PRIVATE, TO USE ANY FUNDS
20 OWNED OR CONTROLLED BY THEM FOR THE PURCHASE OF ANY SUCH BONDS OR OTHER
21 OBLIGATIONS. NOTHING CONTAINED IN THIS SECTION WITH REGARD TO LEGAL
22 INVESTMENTS SHALL BE CONSTRUED AS RELIEVING ANY PERSON OF ANY DUTY OF
23 EXERCISING REASONABLE CARE IN SELECTING SECURITIES.

24 J. EXCEPT TO THE EXTENT OF MONIES DEPOSITED IN A SPECIAL FUND OR FUNDS
25 PURSUANT TO SECTION 48-760 AND PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF AND
26 INTEREST ON BONDS OR OTHER OBLIGATIONS, THE DISTRICT, THE CITY OR TOWN
27 ESTABLISHING THE DISTRICT, THIS STATE AND ANY OTHER POLITICAL SUBDIVISION OF
28 THE STATE ARE NOT LIABLE ON ANY SUCH BONDS OR OBLIGATIONS. THE BONDS AND
29 OTHER OBLIGATIONS:

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

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

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

36 4. DO NOT CONSTITUTE AN INDEBTEDNESS OR THE PLEDGING OF FAITH AND
37 CREDIT WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION
38 OR RESTRICTION.

39 K. ANY DIRECT OR COLLATERAL ACTION ATTACKING OR OTHERWISE QUESTIONING
40 THE VALIDITY OF A REVENUE ALLOCATION DISTRICT, A PROJECT, THE APPROVAL OF A
41 REVENUE ALLOCATION DISTRICT PLAN, THE PROPOSED ISSUANCE OF BONDS UNDER THIS
42 ARTICLE OR ANY OF THE FINDINGS OR DETERMINATIONS OF THE GOVERNING BODY OF A
43 CITY OR TOWN IN CONNECTION WITH THE DISTRICT SHALL BE BROUGHT BEFORE THE
44 EFFECTIVE DATE OF THE RESOLUTION AUTHORIZING THE BONDS. NO DIRECT OR
45 COLLATERAL ACTION ATTACKING OR OTHERWISE QUESTIONING THE VALIDITY OF BONDS

1 ISSUED PURSUANT TO THIS ARTICLE MAY BE BROUGHT BEFORE THE EFFECTIVE DATE OF
2 THE RESOLUTION AUTHORIZING THE BONDS. FOR A PERIOD OF THIRTY DAYS AFTER THE
3 EFFECTIVE DATE OF THE RESOLUTION AUTHORIZING THE BONDS, ANY PERSON WITH
4 STANDING HAS THE RIGHT TO CONTEST THE LEGALITY OF THE RESOLUTION OR
5 PROCEEDING OR ANY BONDS THAT MAY BE AUTHORIZED. NO CONTEST OR PROCEEDING TO
6 QUESTION THE VALIDITY OR LEGALITY OF ANY RESOLUTION OR PROCEEDING, OR ANY
7 BONDS THAT MAY BE AUTHORIZED, PASSED OR ADOPTED UNDER THIS ARTICLE MAY BE
8 BROUGHT IN ANY COURT BY ANY PERSON FOR ANY CAUSE AFTER THE EXPIRATION OF
9 THIRTY DAYS AFTER THE EFFECTIVE DATE OF THE RESOLUTION OR PROCEEDING. AFTER
10 THAT TIME THE VALIDITY, LEGALITY AND REGULARITY OF THE RESOLUTION OR
11 PROCEEDING OR ANY AUTHORIZED BONDS IS CONCLUSIVELY PRESUMED.

12 L. THE POWERS CONFERRED BY THIS ARTICLE ARE SUPPLEMENTAL AND
13 ALTERNATIVE TO OTHER POWERS CONFERRED BY LAW. THIS ARTICLE IS INTENDED AS AN
14 INDEPENDENT AND COMPREHENSIVE CONFERRAL OF POWERS TO ACCOMPLISH THE PURPOSES
15 OF THIS ARTICLE.

16 Sec. 2. Legislative findings; economic development mechanism

17 The legislature finds and determines that while there are various
18 municipal economic development mechanisms available under the laws of this
19 state, including municipal improvement districts, general obligation bonds,
20 industrial development authority bonds and community facilities districts,
21 only the unique revenue allocation district established by this act provides
22 the opportunity to create a public-private partnership for commercial
23 development infrastructure that is constitutionally sound and that operates
24 through a completely internal increment funding process.