

~~municipal improvement districts; technical correction~~  
(now: infrastructure finance districts)

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
Second Regular Session  
2026

## **CHAPTER 123**

# **HOUSE BILL 2999**

AN ACT

AMENDING SECTIONS 9-463.05, 11-495, 11-496 AND 11-1102, ARIZONA REVISED STATUTES; AMENDING TITLE 48, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 40; RELATING TO SPECIAL TAXING DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 9-463.05, Arizona Revised Statutes, is amended  
3 to read:

4 9-463.05. Development fees; imposition by cities and towns;  
5 infrastructure improvements plan; annual report;  
6 advisory committee; limitation on actions;  
7 definitions

8 A. A municipality may assess development fees to offset costs to  
9 the municipality associated with providing necessary public services to a  
10 development, including the costs of infrastructure, improvements, real  
11 property, engineering and architectural services, financing and  
12 professional services required for the preparation or revision of a  
13 development fee pursuant to this section, including the relevant portion  
14 of the infrastructure improvements plan.

15 B. Development fees assessed by a municipality under this section  
16 are subject to the following requirements:

17 1. Development fees shall result in a beneficial use to the  
18 development.

19 2. The municipality shall calculate the development fee based on  
20 the infrastructure improvements plan adopted pursuant to this section.

21 3. The development fee shall not exceed a proportionate share of  
22 the cost of necessary public services, based on service units, needed to  
23 provide necessary public services to the development.

24 4. Costs for necessary public services made necessary by new  
25 development shall be based on the same level of service provided to  
26 existing development in the service area.

27 5. Development fees may not be used for any of the following:

28 (a) Construction, acquisition or expansion of public facilities or  
29 assets other than necessary public services or facility expansions  
30 identified in the infrastructure improvements plan.

31 (b) Repair, operation or maintenance of existing or new necessary  
32 public services or facility expansions.

33 (c) Upgrading, updating, expanding, correcting or replacing  
34 existing necessary public services to serve existing development in order  
35 to meet stricter safety, efficiency, environmental or regulatory  
36 standards.

37 (d) Upgrading, updating, expanding, correcting or replacing  
38 existing necessary public services to provide a higher level of service to  
39 existing development.

40 (e) Administrative, maintenance or operating costs of the  
41 municipality.

42 6. Any development for which a development fee has been paid is  
43 entitled to the use and benefit of the services for which the fee was  
44 imposed and is entitled to receive immediate service from any existing  
45 facility with available capacity to serve the new service units if the

1 available capacity has not been reserved or pledged in connection with the  
2 construction or financing of the facility.

3 7. Development fees may be collected if any of the following  
4 occurs:

5 (a) The collection is made to pay for a necessary public service or  
6 facility expansion that is identified in the infrastructure improvements  
7 plan and the municipality plans to complete construction and to have the  
8 service available within the time period established in the infrastructure  
9 ~~improvement~~ IMPROVEMENTS plan, but in no event longer than the time period  
10 provided in subsection H, paragraph 3 of this section.

11 (b) The municipality reserves in the infrastructure improvements  
12 plan adopted pursuant to this section or otherwise agrees to reserve  
13 capacity to serve future development.

14 (c) The municipality requires or agrees to allow the owner of a  
15 development to construct or finance the necessary public service or  
16 facility expansion and any of the following ~~apply~~ APPLIES:

17 (i) The costs incurred or money advanced are credited against or  
18 reimbursed from the development fees otherwise due from a development.

19 (ii) The municipality reimburses the owner for those costs from the  
20 development fees paid from all developments that will use those necessary  
21 public services or facility expansions.

22 (iii) For those costs incurred the municipality allows the owner to  
23 assign the credits or reimbursement rights from the development fees  
24 otherwise due from a development to other developments for the same  
25 category of necessary public services in the same service area.

26 8. Projected interest charges and other finance costs may be  
27 included in determining the amount of development fees only if the monies  
28 are used for the payment of principal and interest on the portion of the  
29 bonds, notes or other obligations issued to finance construction of  
30 necessary public services or facility expansions identified in the  
31 infrastructure improvements plan.

32 9. Monies received from development fees assessed pursuant to this  
33 section shall be placed in a separate fund and accounted for separately  
34 and may only be used for the purposes authorized by this section. Monies  
35 received from a development fee identified in an infrastructure  
36 improvements plan adopted or updated pursuant to subsection D of this  
37 section shall be used to provide the same category of necessary public  
38 services or facility expansions for which the development fee was assessed  
39 and for the benefit of the same service area, as defined in the  
40 infrastructure improvements plan, in which the development fee was  
41 assessed. Interest earned on monies in the separate fund shall be  
42 credited to the fund.

43 10. The schedule for payment of fees shall be provided by the  
44 municipality. Based on the cost identified in the infrastructure  
45 improvements plan, the municipality shall provide a credit toward the

1 payment of a development fee for the required or agreed to dedication of  
2 public sites, improvements and other necessary public services or facility  
3 expansions included in the infrastructure improvements plan and for which  
4 a development fee is assessed, to the extent the public sites,  
5 improvements and necessary public services or facility expansions are  
6 provided by the developer, A COMMUNITY FACILITIES DISTRICT ESTABLISHED  
7 UNDER TITLE 48, CHAPTER 4, ARTICLE 6 OR A STATE AFFORDABILITY  
8 INFRASTRUCTURE DISTRICT ESTABLISHED UNDER TITLE 48, CHAPTER 40. The  
9 developer of residential dwelling units shall be required to pay  
10 development fees when construction permits for the dwelling units are  
11 issued, or at a later time if specified in a development agreement  
12 pursuant to section 9-500.05. If a development agreement provides for fees  
13 to be paid at a time later than the issuance of construction permits, the  
14 deferred fees shall be paid ~~no~~ NOT later than fifteen days after the  
15 issuance of a certificate of occupancy. The development agreement shall  
16 provide for the value of any deferred fees to be supported by appropriate  
17 security, including a surety bond, letter of credit or cash bond.

18 11. If a municipality requires as a condition of development  
19 approval the construction or improvement of, contributions to or  
20 dedication of any facilities that were not included in a previously  
21 adopted infrastructure improvements plan, the municipality shall cause the  
22 infrastructure improvements plan to be amended to include the facilities  
23 and shall provide a credit toward the payment of a development fee for the  
24 construction, improvement, contribution or dedication of the facilities to  
25 the extent that the facilities will substitute for or otherwise reduce the  
26 need for other similar facilities in the infrastructure improvements plan  
27 for which development fees were assessed.

28 12. The municipality shall forecast the contribution to be made in  
29 the future in cash or by taxes, fees, assessments or other sources of  
30 revenue derived from the property owner towards the capital costs of the  
31 necessary public service covered by the development fee and shall include  
32 these contributions in determining the extent of the burden imposed by the  
33 development. Beginning August 1, 2014, for purposes of calculating the  
34 required offset to development fees pursuant to this subsection, if a  
35 municipality imposes a construction contracting or similar excise tax rate  
36 in excess of the percentage amount of the transaction privilege tax rate  
37 imposed on the majority of other transaction privilege tax  
38 classifications, the entire excess portion of the construction contracting  
39 or similar excise tax shall be treated as a contribution to the capital  
40 costs of necessary public services provided to development for which  
41 development fees are assessed, unless the excess portion was already taken  
42 into account for such purpose pursuant to this subsection.

43 13. If development fees are assessed by a municipality, the fees  
44 shall be assessed against commercial, residential and industrial  
45 development, except that the municipality may distinguish between

1 different categories of residential, commercial and industrial development  
2 in assessing the costs to the municipality of providing necessary public  
3 services to new development and in determining the amount of the  
4 development fee applicable to the category of development. If a  
5 municipality agrees to waive any of the development fees assessed on a  
6 development, the municipality shall reimburse the appropriate development  
7 fee accounts for the amount that was waived. The municipality shall  
8 provide notice of any such waiver to the advisory committee established  
9 pursuant to subsection G of this section within thirty days.

10 14. In determining and assessing a development fee applying to land  
11 in a community facilities district established under title 48, chapter 4,  
12 article 6 OR A STATE AFFORDABILITY INFRASTRUCTURE DISTRICT ESTABLISHED  
13 UNDER TITLE 48, CHAPTER 40, the municipality shall take into account all  
14 public infrastructure provided by the district and capital costs paid by  
15 the district for necessary public services and shall not assess a portion  
16 of the development fee based on the infrastructure or costs.

17 C. A municipality shall give at least thirty days' advance notice  
18 of intention to assess a development fee and shall release to the public  
19 and post on its website or the website of an association of cities and  
20 towns if a municipality does not have a website a written report of the  
21 land use assumptions and infrastructure improvements plan adopted pursuant  
22 to subsection D of this section. The municipality shall conduct a public  
23 hearing on the proposed development fee at any time after the expiration  
24 of the ~~thirty-day~~ THIRTY-DAY notice of intention to assess a development  
25 fee and at least thirty days before the scheduled date of adoption of the  
26 fee by the governing body. Within sixty days after the date of the public  
27 hearing on the proposed development fee, a municipality shall approve or  
28 disapprove the imposition of the development fee. A municipality shall  
29 not adopt an ordinance, order or resolution approving a development fee as  
30 an emergency measure. A development fee assessed pursuant to this section  
31 shall not be effective until seventy-five days after its formal adoption  
32 by the governing body of the municipality. Nothing in this subsection  
33 shall affect any development fee adopted before July 24, 1982.

34 D. Before the adoption or amendment of a development fee, the  
35 governing body of the municipality shall adopt or update the land use  
36 assumptions and infrastructure improvements plan for the designated  
37 service area. The municipality shall conduct a public hearing on the land  
38 use assumptions and infrastructure improvements plan at least thirty days  
39 before the adoption or update of the plan. The municipality shall release  
40 the plan to the public, post the plan on its website or the website of an  
41 association of cities and towns if the municipality does not have a  
42 website, including in the posting its land use assumptions, the time  
43 period of the projections, a description of the necessary public services  
44 included in the infrastructure improvements plan and a map of the service  
45 area to which the land use assumptions apply, make available to the public

1 the documents used to prepare the assumptions and plan and provide public  
2 notice at least sixty days before the public hearing, subject to the  
3 following:

4 1. The land use assumptions and infrastructure improvements plan  
5 shall be approved or disapproved within sixty days after the public  
6 hearing on the land use assumptions and infrastructure improvements plan  
7 and at least thirty days before the public hearing on the report required  
8 by subsection C of this section. A municipality shall not adopt an  
9 ordinance, order or resolution approving the land use assumptions or  
10 infrastructure improvements plan as an emergency measure.

11 2. An infrastructure improvements plan shall be developed by  
12 qualified professionals using generally accepted engineering and planning  
13 practices pursuant to subsection E of this section.

14 3. A municipality shall update the land use assumptions and  
15 infrastructure improvements plan at least every five years. The initial  
16 ~~five-year~~ FIVE-YEAR period begins on the day the infrastructure  
17 improvements plan is adopted. The municipality shall review and evaluate  
18 its current land use assumptions and shall cause an update of the  
19 infrastructure improvements plan to be prepared pursuant to this section.

20 4. Within sixty days after completion of the updated land use  
21 assumptions and infrastructure improvements plan, the municipality shall  
22 schedule and provide notice of a public hearing to discuss and review the  
23 update and shall determine whether to amend the assumptions and plan.

24 5. A municipality shall hold a public hearing to discuss the  
25 proposed amendments to the land use assumptions, the infrastructure  
26 improvements plan or the development fee. The land use assumptions and  
27 the infrastructure improvements plan, including the amount of any proposed  
28 changes to the development fee per service unit, shall be made available  
29 to the public on or before the date of the first publication of the notice  
30 of the hearing on the amendments.

31 6. The notice and hearing procedures prescribed in paragraph 1 of  
32 this subsection apply to a hearing on the amendment of land use  
33 assumptions, an infrastructure improvements plan or a development fee.  
34 Within sixty days after the date of the public hearing on the amendments,  
35 a municipality shall approve or disapprove the amendments to the land use  
36 assumptions, infrastructure improvements plan or development fee.  
37 A municipality shall not adopt an ordinance, order or resolution approving  
38 the amended land use assumptions, infrastructure improvements plan or  
39 development fee as an emergency measure.

40 7. The advisory committee established under subsection G of this  
41 section shall file its written comments on any proposed or updated land  
42 use assumptions, infrastructure improvements plan and development fees  
43 before the fifth business day before the date of the public hearing on the  
44 proposed or updated assumptions, plan and fees.

1           8. If, at the time an update as prescribed in paragraph 3 of this  
2 subsection is required, the municipality determines that no changes to the  
3 land use assumptions, infrastructure improvements plan or development fees  
4 are needed, the municipality may as an alternative to the updating  
5 requirements of this subsection publish notice of its determination on its  
6 website and include the following:

7           (a) A statement that the municipality has determined that no change  
8 to the land use assumptions, infrastructure improvements plan or  
9 development fee is necessary.

10           (b) A description and map of the service area in which an update  
11 has been determined to be unnecessary.

12           (c) A statement that by a specified date, which shall be at least  
13 sixty days after the date of publication of the first notice, a person may  
14 make a written request to the municipality requesting that the land use  
15 assumptions, infrastructure improvements plan or development fee be  
16 updated.

17           (d) A statement identifying the person or entity to whom the  
18 written request for an update should be sent.

19           9. If, by the date specified pursuant to paragraph 8 of this  
20 subsection, a person requests in writing that the land use assumptions,  
21 infrastructure improvements plan or development fee be updated, the  
22 municipality shall cause, accept or reject an update of the assumptions  
23 and plan to be prepared pursuant to this subsection.

24           10. Notwithstanding the notice and hearing requirements for adoption  
25 of an infrastructure improvements plan, a municipality may amend an  
26 infrastructure improvements plan adopted pursuant to this section without  
27 a public hearing if the amendment addresses only elements of necessary  
28 public services in the existing infrastructure improvements plan and the  
29 changes to the plan will not, individually or cumulatively with other  
30 amendments adopted pursuant to this subsection, increase the level of  
31 service in the service area or cause a development fee increase of greater  
32 than five ~~per cent~~ PERCENT when a new or modified development fee is  
33 assessed pursuant to this section. The municipality shall provide notice  
34 of any such amendment at least thirty days before adoption, shall post the  
35 amendment on its website or on the website of an association of cities and  
36 towns if the municipality does not have a website and shall provide notice  
37 to the advisory committee established pursuant to subsection G of this  
38 section that the amendment complies with this subsection.

39           E. For each necessary public service that is the subject of a  
40 development fee, the infrastructure improvements plan shall include:

41           1. A description of the existing necessary public services in the  
42 service area and the costs to upgrade, update, improve, expand, correct or  
43 replace those necessary public services to meet existing needs and usage  
44 and stricter safety, efficiency, environmental or regulatory standards,

1 which shall be prepared by qualified professionals licensed in this state,  
2 as applicable.

3 2. An analysis of the total capacity, the level of current usage  
4 and commitments for usage of capacity of the existing necessary public  
5 services, which shall be prepared by qualified professionals licensed in  
6 this state, as applicable.

7 3. A description of all or the parts of the necessary public  
8 services or facility expansions and their costs necessitated by and  
9 attributable to development in the service area based on the approved land  
10 use assumptions, including a forecast of the costs of infrastructure,  
11 improvements, real property, financing, engineering and architectural  
12 services, which shall be prepared by qualified professionals licensed in  
13 this state, as applicable.

14 4. A table establishing the specific level or quantity of use,  
15 consumption, generation or discharge of a service unit for each category  
16 of necessary public services or facility expansions and an equivalency or  
17 conversion table establishing the ratio of a service unit to various types  
18 of land uses, including residential, commercial and industrial.

19 5. The total number of projected service units necessitated by and  
20 attributable to new development in the service area based on the approved  
21 land use assumptions and calculated pursuant to generally accepted  
22 engineering and planning criteria.

23 6. The projected demand for necessary public services or facility  
24 expansions required by new service units for a period not to exceed ten  
25 years.

26 7. A forecast of revenues generated by new service units other than  
27 development fees, which shall include estimated state-shared revenue,  
28 highway ~~users~~ USER revenue, federal revenue, ad valorem property taxes,  
29 construction contracting or similar excise taxes and the capital recovery  
30 portion of utility fees attributable to development based on the approved  
31 land use assumptions, and a plan to include these contributions in  
32 determining the extent of the burden imposed by the development as  
33 required in subsection B, paragraph 12 of this section.

34 F. A municipality's development fee ordinance shall provide that a  
35 new development fee or an increased portion of a modified development fee  
36 shall not be assessed against a development for twenty-four months after  
37 the date that the municipality issues the final approval for a commercial,  
38 industrial or multifamily development or the date that the first building  
39 permit is issued for a residential development pursuant to an approved  
40 site plan or subdivision plat, provided that no subsequent changes are  
41 made to the approved site plan or subdivision plat that would increase the  
42 number of service units. If the number of service units increases, the  
43 new or increased portion of a modified development fee shall be limited to  
44 the amount attributable to the additional service units. The twenty-four  
45 month period shall not be extended by a renewal or amendment of the site

1 plan or the final subdivision plat that was the subject of the final  
2 approval. The municipality shall issue, on request, a written statement of  
3 the development fee schedule applicable to the development. If, after the  
4 date of the municipality's final approval of a development, the  
5 municipality reduces the development fee assessed on development, the  
6 reduced fee shall apply to the development.

7 G. A municipality shall do one of the following:

8 1. Before the adoption of proposed or updated land use assumptions,  
9 infrastructure improvements plan and development fees as prescribed in  
10 subsection D of this section, the municipality shall appoint an  
11 infrastructure improvements advisory committee, subject to the following  
12 requirements:

13 (a) The advisory committee shall be composed of at least five  
14 members who are appointed by the governing body of the municipality. At  
15 least fifty ~~per cent~~ PERCENT of the members of the advisory committee must  
16 be representatives of the real estate, development or building industries,  
17 of which at least one member of the committee must be from the home  
18 building industry. Members shall not be employees or officials of the  
19 municipality.

20 (b) The advisory committee shall serve in an advisory capacity and  
21 shall:

22 (i) Advise the municipality in adopting land use assumptions and in  
23 determining whether the assumptions are in conformance with the general  
24 plan of the municipality.

25 (ii) Review the infrastructure improvements plan and file written  
26 comments.

27 (iii) Monitor and evaluate implementation of the infrastructure  
28 improvements plan.

29 (iv) Every year file reports with respect to the progress of the  
30 infrastructure improvements plan and the collection and expenditures of  
31 development fees and report to the municipality any perceived inequities  
32 in implementing the plan or imposing the development fee.

33 (v) Advise the municipality of the need to update or revise the  
34 land use assumptions, infrastructure improvements plan and development  
35 fee.

36 (c) The municipality shall make available to the advisory committee  
37 any professional reports with respect to developing and implementing the  
38 infrastructure improvements plan.

39 (d) The municipality shall adopt procedural rules for the advisory  
40 committee to follow in carrying out the committee's duties.

41 2. In lieu of creating an advisory committee pursuant to paragraph  
42 1 of this subsection, provide for a biennial certified audit of the  
43 municipality's land use assumptions, infrastructure improvements plan and  
44 development fees. An audit pursuant to this paragraph shall be conducted  
45 by one or more qualified professionals who are not employees or officials

1 of the municipality and who did not prepare the infrastructure  
2 improvements plan. The audit shall review the progress of the  
3 infrastructure improvements plan, including the collection and  
4 expenditures of development fees for each project in the plan, and  
5 evaluate any inequities in implementing the plan or imposing the  
6 development fee. The municipality shall post the findings of the audit on  
7 the municipality's website or the website of an association of cities and  
8 towns if the municipality does not have a website and shall conduct a  
9 public hearing on the audit within sixty days of the release of the audit  
10 to the public.

11 H. On written request, an owner of real property for which a  
12 development fee has been paid after July 31, 2014 is entitled to a refund  
13 of a development fee or any part of a development fee if:

14 1. Pursuant to subsection B, paragraph 6 of this section, existing  
15 facilities are available and service is not provided.

16 2. The municipality has, after collecting the fee to construct a  
17 facility when service is not available, failed to complete construction  
18 within the time period identified in the infrastructure improvements plan,  
19 but in no event later than the time period specified in paragraph 3 of  
20 this subsection.

21 3. For a development fee other than a development fee for water or  
22 wastewater facilities, any part of the development fee is not spent as  
23 authorized by this section within ten years after the fee has been paid  
24 or, for a development fee for water or wastewater facilities, any part of  
25 the development fee is not spent as authorized by this section within  
26 fifteen years after the fee has been paid.

27 I. If the development fee was collected for the construction of all  
28 or a portion of a specific item of infrastructure, and on completion of  
29 the infrastructure the municipality determines that the actual cost of  
30 construction was less than the forecasted cost of construction on which  
31 the development fee was based and the difference between the actual and  
32 estimated cost is greater than ten per cent, the current owner may receive  
33 a refund of the portion of the development fee equal to the difference  
34 between the development fee paid and the development fee that would have  
35 been due if the development fee had been calculated at the actual  
36 construction cost.

37 J. A refund shall include any interest earned by the municipality  
38 from the date of collection to the date of refund on the amount of the  
39 refunded fee. All refunds shall be made to the record owner of the  
40 property at the time the refund is paid. If the development fee is paid by  
41 a governmental entity, the refund shall be paid to the governmental  
42 entity.

43 K. A development fee that was adopted before January 1, 2012 may  
44 continue to be assessed only to the extent that it will be used to provide  
45 a necessary public service for which development fees can be assessed

1 pursuant to this section and shall be replaced by a development fee  
2 imposed under this section on or before August 1, 2014. Any municipality  
3 having a development fee that has not been replaced under this section on  
4 or before August 1, 2014 shall not collect development fees until the  
5 development fee has been replaced with a fee that complies with this  
6 section. Any development fee monies collected before January 1, 2012  
7 remaining in a development fee account:

8 1. Shall be used towards the same category of necessary public  
9 services as authorized by this section.

10 2. If development fees were collected for a purpose not authorized  
11 by this section, shall be used for the purpose for which they were  
12 collected on or before January 1, 2020, and after which, if not spent,  
13 shall be distributed equally among the categories of necessary public  
14 services authorized by this section.

15 L. A moratorium shall not be placed on development for the sole  
16 purpose of awaiting completion of all or any part of the process necessary  
17 to develop, adopt or update development fees.

18 M. In any judicial action interpreting this section, all powers  
19 conferred on municipal governments in this section shall be narrowly  
20 construed to ensure that development fees are not used to impose on new  
21 residents a burden all taxpayers of a municipality should bear equally.

22 N. Each municipality that assesses development fees shall submit an  
23 annual report accounting for the collection and use of the fees for each  
24 service area. The annual report shall include the following:

25 1. The amount assessed by the municipality for each type of  
26 development fee.

27 2. The balance of each fund maintained for each type of development  
28 fee assessed as of the beginning and end of the fiscal year.

29 3. The amount of interest or other earnings on the monies in each  
30 fund as of the end of the fiscal year.

31 4. The amount of development fee monies used to repay:

32 (a) Bonds issued by the municipality to pay the cost of a capital  
33 improvement project that is the subject of a development fee assessment,  
34 including the amount needed to repay the debt service obligations on each  
35 facility for which development fees have been identified as the source of  
36 funding and the time frames in which the debt service will be repaid.

37 (b) Monies advanced by the municipality from funds other than the  
38 funds established for development fees in order to pay the cost of a  
39 capital improvement project that is the subject of a development fee  
40 assessment, the total amount advanced by the municipality for each  
41 facility, the source of the monies advanced and the terms under which the  
42 monies will be repaid to the municipality.

43 5. The amount of development fee monies spent on each capital  
44 improvement project that is the subject of a development fee assessment  
45 and the physical location of each capital improvement project.

1           6. The amount of development fee monies spent for each purpose  
2 other than a capital improvement project that is the subject of a  
3 development fee assessment.

4           O. Within ninety days following the end of each fiscal year, each  
5 municipality shall submit a copy of the annual report to the city clerk  
6 and post the report on the municipality's website or the website of an  
7 association of cities and towns if the municipality does not have a  
8 website. Copies shall be made available to the public on request. The  
9 annual report may contain financial information that has not been audited.

10          P. A municipality that fails to file the report and post the report  
11 on the municipality's website or the website of an association of cities  
12 and towns if the municipality does not have a website as required by this  
13 section shall not collect development fees until the report is filed and  
14 posted.

15          Q. Any action to collect a development fee shall be commenced  
16 within two years after the obligation to pay the fee accrues.

17          R. A municipality may continue to assess a development fee adopted  
18 before January 1, 2012 for any facility that was financed before June 1,  
19 2011 if:

20           1. Development fees were pledged to repay debt service obligations  
21 related to the construction of the facility.

22           2. After August 1, 2014, any development fees collected under this  
23 subsection are used solely for the payment of principal and interest on  
24 the portion of the bonds, notes or other debt service obligations issued  
25 before June 1, 2011 to finance construction of the facility.

26          S. Through August 1, 2014, a development fee adopted before January  
27 1, 2012 may be used to finance construction of a facility and may be  
28 pledged to repay debt service obligations if:

29           1. The facility that is being financed is a facility that is  
30 described under subsection T, paragraph 7, subdivisions (a) through (g) of  
31 this section.

32           2. The facility was included in an infrastructure improvements plan  
33 adopted before June 1, 2011.

34           3. The development fees are used for the payment of principal and  
35 interest on the portion of the bonds, notes or other debt service  
36 obligations issued to finance construction of the necessary public  
37 services or facility expansions identified in the infrastructure  
38 ~~improvement~~ IMPROVEMENTS plan.

39          T. For the purposes of this section:

40           1. "Dedication" means the actual conveyance date or the date an  
41 improvement, facility or real or personal property is placed into service,  
42 whichever occurs first.

43           2. "Development" means:

44           (a) The subdivision of land.

1 (b) The construction, reconstruction, conversion, structural  
2 alteration, relocation or enlargement of any structure that adds or  
3 increases the number of service units.

4 (c) Any use or extension of the use of land that increases the  
5 number of service units.

6 3. "Facility expansion" means the expansion of the capacity of an  
7 existing facility that serves the same function as an otherwise new  
8 necessary public service in order that the existing facility may serve new  
9 development. Facility expansion does not include the repair, maintenance,  
10 modernization or expansion of an existing facility to better serve  
11 existing development.

12 4. "Final approval" means:

13 (a) For a nonresidential or multifamily development, the approval  
14 of a site plan or, if no site plan is submitted for the development, the  
15 approval of a final subdivision plat.

16 (b) For a single family residential development, the approval of a  
17 final subdivision plat.

18 5. "Infrastructure improvements plan" means a written plan that  
19 identifies each necessary public service or facility expansion that is  
20 proposed to be the subject of a development fee and otherwise complies  
21 with the requirements of this section, and may be the municipality's  
22 capital improvements plan.

23 6. "Land use assumptions" means projections of changes in land  
24 uses, densities, intensities and population for a specified service area  
25 over a period of at least ten years and pursuant to the general plan of  
26 the municipality.

27 7. "Necessary public service" means any of the following facilities  
28 that have a life expectancy of three or more years and that are owned and  
29 operated by or on behalf of the municipality:

30 (a) Water facilities, including the supply, transportation,  
31 treatment, purification and distribution of water, and any appurtenances  
32 for those facilities.

33 (b) Wastewater facilities, including collection, interception,  
34 transportation, treatment and disposal of wastewater, and any  
35 appurtenances for those facilities.

36 (c) Storm water, drainage and flood control facilities, including  
37 any appurtenances for those facilities.

38 (d) Library facilities of up to ten thousand square feet that  
39 provide a direct benefit to development, not including equipment, vehicles  
40 or appurtenances.

41 (e) Street facilities located in the service area, including  
42 arterial or collector streets or roads that have been designated on an  
43 officially adopted plan of the municipality, traffic signals and  
44 rights-of-way and improvements thereon.

1 (f) Fire and police facilities, including all appurtenances,  
2 equipment and vehicles. Fire and police facilities do not include a  
3 facility or portion of a facility that is used to replace services that  
4 were once provided elsewhere in the municipality, vehicles and equipment  
5 used to provide administrative services, helicopters or airplanes or a  
6 facility that is used for training firefighters or officers from more than  
7 one station or substation.

8 (g) Neighborhood parks and recreational facilities on real property  
9 up to thirty acres in area, or parks and recreational facilities larger  
10 than thirty acres if the facilities provide a direct benefit to the  
11 development. Park and recreational facilities do not include vehicles,  
12 equipment or that portion of any facility that is used for amusement  
13 parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural  
14 facilities, bandstand and orchestra facilities, bathhouses, boathouses,  
15 clubhouses, community centers greater than three thousand square feet in  
16 floor area, environmental education centers, equestrian facilities, golf  
17 course facilities, greenhouses, lakes, museums, theme parks, water  
18 reclamation or riparian areas, wetlands, zoo facilities or similar  
19 recreational facilities, but may include swimming pools.

20 (h) Any facility that was financed and that meets all of the  
21 requirements prescribed in subsection R of this section.

22 8. "Qualified professional" means a professional engineer,  
23 surveyor, financial analyst or planner providing services within the scope  
24 of the person's license, education or experience.

25 9. "Service area" means any specified area within the boundaries of  
26 a municipality in which development will be served by necessary public  
27 services or facility expansions and within which a substantial nexus  
28 exists between the necessary public services or facility expansions and  
29 the development being served as prescribed in the infrastructure  
30 improvements plan.

31 10. "Service unit" means a standardized measure of consumption, use,  
32 generation or discharge attributable to an individual unit of development  
33 calculated pursuant to generally accepted engineering or planning  
34 standards for a particular category of necessary public services or  
35 facility expansions.

36 Sec. 2. Section 11-495, Arizona Revised Statutes, is amended to  
37 read:

38 11-495. Taxpayers' information fund

39 A. A taxpayers' information fund is established in each county  
40 treasury consisting of monies collected from the public records copy  
41 surcharge imposed pursuant to section 11-496, the tax lien processing fee  
42 imposed pursuant to section 42-18116, subsection C, ~~fifteen dollars~~ \$15 of  
43 each judgment deed fee collected pursuant to section 42-18205, subsection  
44 A, interest earned from the elderly assistance fund pursuant to section  
45 42-17401, the community facilities district special assessment fee imposed

1 pursuant to section 48-721, THE STATE AFFORDABILITY INFRASTRUCTURE  
2 DISTRICT SPECIAL ASSESSMENT FEE IMPOSED PURSUANT TO SECTION 48-7023 and  
3 the fees authorized for collecting municipal fire and emergency services  
4 fees in certain areas of the county as prescribed in section 9-500.23.

5 B. The county treasurer shall administer the fund and spend monies  
6 in the fund only to defray the cost of converting or upgrading an  
7 automated public information system as follows:

8 1. Purchasing computer hardware and software.

9 2. Training employees to operate the system.

10 3. Maintaining the system, including purchasing equipment  
11 maintenance agreements.

12 4. Updating the system hardware and software.

13 5. In counties with a population of more than two million persons,  
14 notifying property owners of the tax and ownership status of a taxpayer's  
15 parcel prior to the taxpayer's parcel being sold at a deed sale and the  
16 tax and ownership status of any parcels being sold at a deed sale that are  
17 adjacent to a taxpayer's parcel, prior to the deed sale.

18 C. The county treasurer shall annually submit to the board of  
19 supervisors the amount of anticipated revenues under this section. If the  
20 projected revenues are considered to be insufficient to establish and  
21 maintain the fund at an adequate level, the monies may accumulate until  
22 sufficient monies are available in the fund.

23 Sec. 3. Section 11-496, Arizona Revised Statutes, is amended to  
24 read:

25 11-496. Public records copy; proceeds of sale; agent duties;  
26 surcharge; special district assessments; deposit

27 A. In addition to the fee prescribed by section 39-121.01,  
28 subsection D, paragraph 1 or section 39-121.03, subsection A, the county  
29 treasurer may impose a surcharge of not more than twenty-five ~~per cent~~  
30 PERCENT of the fee charged for furnishing a copy, printout or photograph.

31 B. A county treasurer who is designated as a registrar pursuant to  
32 section 35-491 may impose a surcharge of not more than twenty-five ~~per~~  
33 cent PERCENT of the average fee charged by commercial bank trust  
34 departments during the previous calendar year for discharging registrar,  
35 transfer and paying agent duties.

36 C. The county treasurer may impose and collect a fee for expenses  
37 directly related to the collection of special assessments for a community  
38 facilities district pursuant to section 48-721, A STATE AFFORDABILITY  
39 INFRASTRUCTURE DISTRICT PURSUANT TO SECTION 48-7023 and a revitalization  
40 district pursuant to section 48-6815 and for collecting municipal fire and  
41 emergency services fees from owners of record in certain areas of the  
42 county as prescribed in section 9-500.23.

43 D. The county treasurer shall deposit monies collected pursuant to  
44 this section in the taxpayers' information fund established by section  
45 11-495.

1           Sec. 4. Section 11-1102, Arizona Revised Statutes, is amended to  
2 read:

3           11-1102. County development fees; imposition by counties;  
4           infrastructure improvements plan; advisory  
5           committee; annual report; limitation on actions;  
6           definitions

7           A. A county may assess development fees to offset costs to the  
8 county associated with providing necessary public services to a  
9 development, including the costs of infrastructure, improvements, real  
10 property, engineering and architectural services, financing and  
11 professional services required for the preparation or revision of  
12 ~~a~~ development ~~fee~~ FEES pursuant to this section, including the relevant  
13 portion of the infrastructure improvements plan.

14           B. Development fees assessed under this section are subject to the  
15 following requirements:

16           1. Development fees shall result in a beneficial use to the  
17 development.

18           2. The county shall calculate the development ~~fee~~ FEES based on the  
19 infrastructure improvements plan adopted pursuant to this section.

20           3. The development fees may not exceed a proportionate share of the  
21 cost of necessary public services, based on service units, needed to  
22 provide necessary public services to the development.

23           4. Costs for necessary public services made necessary by new  
24 development shall be based on the same level of service provided to  
25 existing development in the service area at the time the infrastructure  
26 improvements plan is adopted.

27           5. Development fees may not be used for any of the following:

28           (a) Funding a level of service that is higher than the current  
29 level of service provided to existing development at the time the  
30 infrastructure improvements plan is adopted.

31           (b) Construction, acquisition or expansion of public facilities or  
32 assets other than necessary public services or facility expansions  
33 identified in the infrastructure improvements plan.

34           (c) Repair, operation or maintenance of existing or new necessary  
35 public services or facility expansions.

36           (d) Upgrading, updating, expanding, correcting or replacing  
37 existing necessary public services to serve existing development in order  
38 to meet stricter safety, efficiency, environmental or regulatory  
39 standards.

40           (e) Upgrading, updating, expanding, correcting or replacing  
41 existing necessary public services to provide a higher level of service to  
42 existing development.

43           (f) Administrative, maintenance or operating costs of the county.

44           6. Any development for which development fees have been paid is  
45 entitled to the use and benefit of the services for which the development

1 fees were imposed and is entitled to receive immediate service from any  
2 existing facility with available capacity to serve the new service units  
3 if the available capacity has not been reserved or pledged in connection  
4 with the construction or financing of the facility.

5 7. Development fees may be collected if any of the following  
6 occurs:

7 (a) The collection is made to pay for a necessary public service or  
8 facility expansion that is identified in the infrastructure improvements  
9 plan and the county plans to complete construction and have the service  
10 available within the time period established in the infrastructure  
11 improvements plan, but not longer than the time period provided in  
12 subsection J, paragraph 3 of this section.

13 (b) The county reserves capacity in the infrastructure improvements  
14 plan adopted pursuant to this section or otherwise agrees to reserve  
15 capacity to serve future development.

16 (c) The county requires or agrees to allow the owner of a  
17 development to construct or finance the necessary public service or  
18 facility expansion and any of the following applies:

19 (i) The costs incurred or monies advanced are credited against or  
20 reimbursed from the development fees otherwise due from a development. The  
21 amount of credits issued shall equal the costs identified by the county in  
22 the infrastructure improvements plan associated with the construction of  
23 the necessary public services or facility expansions. The county shall  
24 allow the owner to assign the credits from the development fees otherwise  
25 due from a development and any excess credits to other developments for  
26 the same category of necessary public services in the same service area.

27 (ii) The county reimburses the owner for those costs from the  
28 development fees paid from all developments that will use those necessary  
29 public services or facility expansions. The county shall allow the owner  
30 to assign the reimbursement rights to other developments for the same  
31 category of necessary public services in the same service area.

32 8. Projected interest charges and other finance costs may be  
33 included in determining the amount of development fees only if the monies  
34 are used for the payment of principal and interest on the portion of the  
35 bonds, notes or other obligations issued to finance construction of  
36 necessary public services or facility expansions identified in the  
37 infrastructure improvements plan.

38 9. Monies received from development fees shall be placed in a  
39 separate fund and accounted for separately and may only be used for the  
40 purposes authorized by this section. Monies received from development  
41 fees identified in an infrastructure improvements plan adopted or updated  
42 pursuant to subsection E of this section shall be used to provide the same  
43 category of necessary public services or facilities expansions for which  
44 the development fee was assessed and for the benefit of the same service  
45 area as defined in the infrastructure improvements plan in which the

1 development fees were assessed. Interest earned on monies in the separate  
2 fund shall be credited to the fund.

3 10. The county shall prescribe the schedule for paying the  
4 development fees. Based on the costs identified in the infrastructure  
5 improvements plan, the county shall provide a credit toward the payment of  
6 the development fees for the required or agreed to dedication of public  
7 sites, improvements and other necessary public services or facility  
8 expansions included in the infrastructure improvements plan and for which  
9 development fees are assessed, to the extent the public sites,  
10 improvements and necessary public services or facility expansions are  
11 provided by the developer, [A COMMUNITY FACILITIES DISTRICT ESTABLISHED](#)  
12 [UNDER TITLE 48, CHAPTER 4, ARTICLE 6 OR A STATE AFFORDABILITY](#)  
13 [INFRASTRUCTURE DISTRICT ESTABLISHED UNDER TITLE 48, CHAPTER 40](#). On  
14 request of the developer, instead of providing a credit toward the payment  
15 of development fees, the county shall provide for reimbursement from the  
16 development fees paid from all development that will use those public  
17 sites, improvements or necessary public services or facility expansions of  
18 the actual costs of the required or agreed to dedication of public sites,  
19 improvements or other necessary public services or facility expansions  
20 included in the infrastructure improvements plan and for which development  
21 fees are assessed, to the extent the public sites, improvements and  
22 necessary public services or facility expansions are provided by the  
23 developer, [A COMMUNITY FACILITIES DISTRICT ESTABLISHED UNDER TITLE 48,](#)  
24 [CHAPTER 4, ARTICLE 6 OR A STATE AFFORDABILITY INFRASTRUCTURE DISTRICT](#)  
25 [ESTABLISHED UNDER TITLE 48, CHAPTER 40](#). The developer of residential  
26 dwelling units shall be required to pay the fees when construction permits  
27 for the dwelling units are issued, or at a later time if specified in the  
28 development agreement pursuant to section 11-1101. If a development  
29 agreement provides for development fees to be paid at a time later than  
30 the issuance of construction permits, the deferred development fees shall  
31 be paid not later than fifteen days after the issuance of a certificate of  
32 occupancy. The development agreement shall provide for the value of any  
33 deferred development fees to be supported by an appropriate security,  
34 including a surety bond, letter of credit or cash bond.

35 11. If a county requires as a condition of development approval the  
36 construction or improvement of, contributions to or dedication of any  
37 facilities that were not included in a previously adopted infrastructure  
38 improvements plan, the county shall cause the infrastructure improvements  
39 plan to be amended to include the facilities and shall provide a credit  
40 toward the payment of development fees for the construction, improvement,  
41 contribution or dedication of the facilities to the extent that the  
42 facilities will substitute for or otherwise reduce the need for other  
43 similar facilities in the infrastructure improvements plan for which  
44 development fees were assessed. If a county requires as a condition of  
45 development approval the set aside of active or passive open space, the

1 county shall issue a credit toward any development fees identified in the  
2 infrastructure improvements plan to fund any park facilities or facility  
3 expansion. On request of the individual or entity seeking development  
4 approval, instead of issuing a credit toward the payment of development  
5 fees, the county shall provide for reimbursement from the development fees  
6 paid from all development that will use those facilities or facility  
7 expansions of the actual costs of the construction or improvement of,  
8 contributions to or dedication of the public facilities required as a  
9 condition of development approval.

10 12. The county shall forecast the contribution to be made in the  
11 future in cash, taxes, fees, assessments and all other sources of revenue  
12 derived from the property owner towards the capital costs of the necessary  
13 public service covered by the development fees.

14 13. If development fees are assessed against residential  
15 development, the county shall also assess development fees against  
16 commercial and industrial development. The county may distinguish between  
17 different categories of residential, commercial and industrial development  
18 in assessing the costs to the county of providing necessary public  
19 services to new development and in determining the amount of the  
20 development fees applicable to the category, except that the county may  
21 not distinguish residential developments on the basis of the size of the  
22 dwelling unit or number of bedrooms. If a county agrees to waive any of  
23 the development fees assessed on a development, the county shall reimburse  
24 the appropriate development fees accounts for the amount that was waived.  
25 The county shall provide notice of any such waiver to the advisory  
26 committee established pursuant to subsection I of this section.

27 14. In determining and assessing development fees applying to land  
28 in a community facilities district established under title 48, chapter 4,  
29 article 6, the county shall take into account all public infrastructure  
30 provided by the district and capital costs paid by the district for  
31 necessary public services and shall not assess a portion of the  
32 development fees based on the infrastructure or costs.

33 15. The county shall not assess or collect development fees from a  
34 school district or charter school, other than fees assessed or collected  
35 for streets and water and wastewater utility functions.

36 C. Before assessing development fees, the county shall:

37 1. Give at least thirty days' advance notice of intention to assess  
38 new or increased development fees.

39 2. Release to the public and post on the county's website a written  
40 report of the land use assumptions and infrastructure improvements plan  
41 adopted pursuant to subsection E of this section.

42 3. Conduct a public hearing on the proposed development fees at any  
43 time after the expiration of the thirty-day notice of intention to assess  
44 development fees and at least thirty days before the scheduled date of  
45 adoption of the development fees. Within sixty days after the date of the

1 public hearing on the proposed development fees, the county shall approve  
2 or disapprove the imposition of the development fees. A county may not  
3 adopt an ordinance, order or resolution approving development fees as an  
4 emergency measure.

5 D. Development fees assessed pursuant to this section are not  
6 effective for at least ninety days after formal adoption by the board of  
7 supervisors.

8 E. Before the adoption or amendment of development fees or  
9 amendment of the boundaries of a service area, the board of supervisors  
10 shall adopt or update the land use assumptions and infrastructure  
11 improvements plan for the designated service area. The county shall  
12 conduct a public hearing on the land use assumptions and infrastructure  
13 improvements plan at least thirty days before the adoption or update of  
14 the infrastructure improvements plan. The county shall release the  
15 infrastructure improvements plan to the public, post the infrastructure  
16 improvements plan on the county's website, including in the posting the  
17 land use assumptions, the time period of the projections, a description of  
18 the necessary public services included in the infrastructure improvements  
19 plan and a map of the service area to which the land use assumptions  
20 apply, make available to the public the documents used to prepare the land  
21 use assumptions and infrastructure improvements plan and provide public  
22 notice at least sixty days before the public hearing, subject to the  
23 following:

24 1. The land use assumptions and infrastructure improvements plan  
25 shall be approved or disapproved within sixty days after the public  
26 hearing on the land use assumptions and infrastructure improvements plan  
27 and at least thirty days before the public hearing on the report required  
28 by subsection C of this section. A county may not adopt an ordinance,  
29 order or resolution approving the land use assumptions or infrastructure  
30 improvements plan as an emergency measure.

31 2. An infrastructure improvements plan shall be developed by  
32 qualified professionals using generally accepted engineering and planning  
33 practices pursuant to subsection F of this section.

34 3. A county shall update the land use assumptions and  
35 infrastructure improvements plan at least every five years. The initial  
36 five-year period begins on the day the infrastructure improvements plan is  
37 adopted. The county shall review and evaluate the current land use  
38 assumptions and shall cause an update of the infrastructure improvements  
39 plan to be prepared pursuant to this section.

40 4. Within sixty days after completion of the updated land use  
41 assumptions and infrastructure improvements plan, the county shall  
42 schedule and provide notice of a public hearing to discuss and review the  
43 update and shall determine whether to amend the land use assumptions and  
44 infrastructure improvements plan.

1           5. A county shall hold a public hearing to discuss the proposed  
2 amendments to the land use assumptions, the infrastructure improvements  
3 plan or the development fees. The land use assumptions and the  
4 infrastructure improvements plan, including the amount of any proposed  
5 changes to the development fees per service unit, shall be made available  
6 to the public on or before the date of the first publication of the notice  
7 of the hearing on the amendments.

8           6. The hearing procedures prescribed in paragraph 1 of this  
9 subsection apply to a hearing on the amendment of land use assumptions, an  
10 infrastructure improvements plan or development fees. Within sixty days  
11 after the date of the public hearing on the amendments, a county shall  
12 approve or disapprove the amendments to the land use assumptions,  
13 infrastructure improvements plan or development fees. A county may not  
14 adopt an ordinance, order or resolution approving the amended land use  
15 assumptions, infrastructure improvements plan or development fees as an  
16 emergency measure.

17           7. The advisory committee established under subsection I of this  
18 section shall file its written comments on any proposed or updated land  
19 use assumptions, infrastructure improvements plan and development fees  
20 before the fifth business day before the date of the public hearing on the  
21 proposed or updated land use assumptions, infrastructure improvements plan  
22 and development fees.

23           8. If, at the time an update as prescribed in paragraph 3 of this  
24 subsection is required, the county determines that no changes to the land  
25 use assumptions, infrastructure improvements plan or development fees are  
26 needed, the county, as an alternative to the updating requirements of this  
27 subsection, may publish notice of the determination on the county's  
28 website that includes the following:

29           (a) A statement that the county has determined that no change to  
30 the land use assumptions, infrastructure improvements plan or development  
31 fees is necessary.

32           (b) A description and map of the service area in which an update  
33 has been determined to be unnecessary.

34           (c) A statement that by a specified date, which shall be at least  
35 sixty days after the date of publication of the first notice, a person may  
36 request to the county in writing that the county update the land use  
37 assumptions, infrastructure improvements plan or development fees.

38           (d) A statement identifying the person or entity to whom the  
39 written request for an update should be sent.

40           9. If, by the date specified pursuant to paragraph 8 of this  
41 subsection, a person requests in writing that the county update the land  
42 use assumptions, infrastructure improvements plan or development fees, the  
43 county shall cause, accept or reject an update of the land use  
44 assumptions, infrastructure improvements plan or development fees to be  
45 prepared pursuant to this section.

1           10. Notwithstanding the notice and hearing requirements for  
2 adoption of an infrastructure improvements plan, the county may amend an  
3 infrastructure improvements plan without a public hearing if the amendment  
4 addresses only elements of necessary public services in the existing  
5 infrastructure improvements plan and the changes to the plan will not,  
6 individually or cumulatively with other amendments adopted pursuant to  
7 this subsection, increase the level of service in the service area or  
8 cause an increase in development fees that is greater than five percent  
9 when new or modified development fees are assessed pursuant to this  
10 section. The county shall provide notice of the amendment at least thirty  
11 days before adoption, shall post the amendment on the county's website and  
12 shall provide notice to the advisory committee established pursuant to  
13 subsection I of this section that the amendment complies with this  
14 subsection.

15           F. For each necessary public service that is the subject of  
16 development fees, the infrastructure improvements plan shall include:

17           1. A description of the existing necessary public services in the  
18 service area and the costs to upgrade, update, improve, expand, correct or  
19 replace those necessary public services to meet existing needs and usage  
20 and stricter safety, efficiency, environmental or regulatory standards.  
21 The description shall be prepared by qualified professionals who are  
22 licensed in this state, as applicable.

23           2. An analysis of the total capacity, the level of current usage  
24 and commitments for usage of capacity of the existing necessary public  
25 services. The analysis shall be prepared by qualified professionals who  
26 are licensed in this state, as applicable.

27           3. A description of all or the parts of the necessary public  
28 services or facility expansions and their costs necessitated by and  
29 attributable to new development in the service area based on the approved  
30 land use assumptions, including a forecast of the cost of infrastructure,  
31 improvements, real property, financing, engineering and architectural  
32 services. The description shall be prepared by qualified professionals who  
33 are licensed in this state, as applicable.

34           4. A table that establishes the specific level or quantity of use,  
35 consumption, generation or discharge of a service unit for each category  
36 of necessary public services or facility expansions and an equivalency or  
37 conversion table that establishes the ratio of a service unit to various  
38 types of land uses, including residential, commercial and industrial.

39           5. A description of all the costs necessitated by ongoing  
40 maintenance and operations of the necessary public services once  
41 construction is completed and a description of the source of revenue to be  
42 used to fund the maintenance and operations.

43           6. The total number of projected service units necessitated by and  
44 attributable to new development in the service area based on the approved

1 land use assumptions and calculated pursuant to generally accepted  
2 engineering and planning criteria.

3 7. The projected demand for necessary public services or facility  
4 expansions required by new service units for a period of not more than ten  
5 years.

6 8. A forecast of revenues generated by new service units other than  
7 development fees, including estimated state shared revenue, highway user  
8 revenue, federal revenue, ad valorem property taxes, construction  
9 contracting or similar excise taxes and the capital recovery portion of  
10 utility fees attributable to development based on the approved land use  
11 assumptions, and a plan to include these contributions in determining the  
12 extent of the burden imposed by the development as required in subsection  
13 B, paragraph 12 of this section.

14 G. A county's infrastructure improvements plan may identify  
15 necessary public services or facility expansions that the county plans to  
16 construct beyond the time period provided for in subsection J, paragraph 3  
17 of this section but may not include the costs of those necessary public  
18 services or facility expansions in the calculation of development fees.

19 H. A county's development fees ordinance shall provide:

20 1. That new development fees or an increased portion of modified  
21 development fees may not be assessed against a development for twenty-four  
22 months after the date that the county issues the final approval for a  
23 commercial, industrial or multifamily development or the date that the  
24 first building permit is issued for a residential development pursuant to  
25 an approved site plan or subdivision plat, only if subsequent changes are  
26 not made to the approved site plan or subdivision plat that would increase  
27 the number of service units. If the number of service units increases,  
28 the new or increased portion of modified development fees shall be limited  
29 to the amount attributable to the additional service units. The period is  
30 not extended by a renewal or amendment of the site plan or the final  
31 subdivision plat that was the subject of the final approval. The county  
32 shall issue, on request, a written statement of the development fees  
33 schedule applicable to the development. If, after the date of the  
34 county's final approval of a development, the county reduces the  
35 development fees assessed on development, the reduced fees shall apply to  
36 the development.

37 2. A process for a development to request an alternative  
38 development fee calculation or change in category of development that  
39 appears on an adopted development fee schedule based on a projection that  
40 the actual burdens and costs associated with the county's provision of  
41 necessary public services or facility expansions to the development that  
42 are to be paid by development fees will differ substantially from those  
43 costs projected by the county or will be substantially less than the  
44 amount projected to be paid by development fees. The county manager or the  
45 county manager's designee shall review the request and make a

1 determination as to the development fee to be assessed. The assessed  
2 development fee shall have a substantial nexus to the actual burdens and  
3 costs associated with providing the necessary public services or facility  
4 expansions to that development that are to be funded by development fees.  
5 The determination of the county manager is appealable to the board of  
6 supervisors.

7 I. A county shall do one of the following:

8 1. Before the adoption of the proposed or updated land use  
9 assumptions, infrastructure improvements plan and development fees as  
10 prescribed in subsection E of this section, appoint an infrastructure  
11 improvements advisory committee, subject to the following requirements:

12 (a) The advisory committee shall be composed of at least five  
13 members who are appointed by the board of supervisors. At least fifty  
14 percent of the members of the advisory committee must be representatives  
15 of the real estate, development or building industries, of which at least  
16 one member of the committee must be from the home building industry.  
17 Members may not be employees or officials of the county.

18 (b) The advisory committee shall serve in an advisory capacity and  
19 shall:

20 (i) Advise the county in adopting land use assumptions and in  
21 determining whether the assumptions are in conformance with the general  
22 plan of the county.

23 (ii) Review the infrastructure improvements plan and file written  
24 comments.

25 (iii) Monitor and evaluate implementation of the infrastructure  
26 improvements plan.

27 (iv) Every year file reports with respect to the progress of the  
28 infrastructure improvements plan and the collection and expenditures of  
29 development fees and report to the county any perceived inequities in  
30 implementing the infrastructure improvements plan or assessing the  
31 development fees.

32 (v) Advise the county of the need to update or revise the land use  
33 assumptions, infrastructure improvements plan and development fees.

34 (c) The county shall make available to the advisory committee any  
35 professional reports with respect to developing and implementing the  
36 infrastructure improvements plan.

37 (d) The county shall adopt procedural rules for the advisory  
38 committee to follow in carrying out the advisory committee's duties.

39 2. Provide for a biennial certified audit of the county's land use  
40 assumptions, infrastructure improvements plan and development fees. An  
41 audit pursuant to this paragraph shall be conducted by one or more  
42 qualified professionals who are not employees or officials of the county  
43 and who did not prepare the infrastructure improvements plan. The audit  
44 shall review the progress of the infrastructure improvements plan,  
45 including the collection and expenditures of development fees for each

1 project in the infrastructure improvements plan, and evaluate any  
2 inequities in implementing the infrastructure improvements plan or  
3 imposing the development fees. The county shall post the findings of the  
4 audit on the county's website and shall conduct a public hearing on the  
5 audit within sixty days after the release of the audit to the public.

6 J. On written request, an owner of real property for which  
7 development fees have been paid after December 31, 2020 is entitled to a  
8 refund of the development fees or any part of the development fees if:

9 1. Pursuant to subsection B, paragraph 6 of this section, existing  
10 facilities are available and service is not provided.

11 2. The county, after collecting the fees to construct a facility  
12 when service is not available, has failed to complete construction within  
13 the time period identified in the infrastructure improvements plan, but in  
14 no event later than the time period specified in paragraph 3 of this  
15 subsection.

16 3. For development fees other than development fees for water or  
17 wastewater facilities, any part of the development fees is not spent as  
18 authorized by this section within ten years after the fees have been paid  
19 or, for development fees for water or wastewater facilities, any part of  
20 the development fees is not spent as authorized by this section within  
21 fifteen years after the development fees have been paid.

22 K. If the development fees were collected for the construction of  
23 all or a portion of a specific item of infrastructure, and on completion  
24 of the infrastructure the county determines that the actual cost of  
25 construction was less than the forecasted cost of construction on which  
26 the development fees were based and the difference between the actual and  
27 estimated cost is greater than ten percent, the current owner may receive  
28 a refund of the portion of the development fees equal to the difference  
29 between the development fees paid and the development fees that would have  
30 been due if the development fees had been calculated at the actual  
31 construction cost.

32 L. A refund shall include any interest earned by the county from  
33 the date of collection to the date of refund on the amount of the refunded  
34 fees. All refunds shall be paid to the owner of record of the property at  
35 the time the refund is paid. If the development fees are paid by a  
36 governmental entity, the refund shall be paid to the governmental entity.

37 M. Development fees that were adopted before January 1, 2017 may  
38 continue to be assessed only to the extent that the development fees will  
39 be used to provide a necessary public service for which development fees  
40 can be assessed pursuant to this section and shall be replaced by  
41 development fees imposed under this section on or before January 1, 2021.  
42 Any county having development fees that have not been replaced under this  
43 section on or before January 1, 2021 may not collect development fees  
44 until the development fees have been replaced with fees that comply with  
45 this section. Development fees adopted or amended by a county after

1 January 1, 2017 shall comply with this section. Any development fees  
2 monies collected before January 1, 2017 remaining in a development fees  
3 account:

4 1. Shall be used ~~towards~~ TOWARD the same category of necessary  
5 public services as authorized by this section.

6 2. ~~And~~ THAT WERE collected for a purpose not authorized by this  
7 section shall be used for the purpose for which the development fees were  
8 collected on or before January 1, 2024, and after which, if not spent,  
9 shall be distributed equally among the categories of necessary public  
10 services authorized by this section.

11 N. A moratorium may not be placed on development for the sole  
12 purpose of awaiting completion of all or any part of the process necessary  
13 to develop, adopt or update development fees.

14 O. In any judicial action interpreting this section all powers  
15 conferred on a county by this section shall be narrowly construed to  
16 ensure that development fees are not used to impose on new residents a  
17 burden all taxpayers of a county should bear equally.

18 P. Each county that assesses development fees shall submit an  
19 annual report accounting for the collection and use of the fees for each  
20 service area. The annual report shall include the following:

21 1. The amount assessed by the county for each type of development  
22 fee.

23 2. The balance of each fund maintained for each type of development  
24 fee assessed as of the beginning and end of the fiscal year.

25 3. The amount of interest or other earnings on the monies in each  
26 fund as of the end of the fiscal year.

27 4. The amount of development fee monies used to repay:

28 (a) Bonds issued by the county to pay the cost of a necessary  
29 public service that is the subject of a development fees assessment,  
30 including the amount needed to repay the debt service obligations on each  
31 facility for which development fees have been identified as the source of  
32 funding and the time frames in which the debt service will be repaid.

33 (b) Monies advanced by the county from funds other than the funds  
34 established for development fees in order to pay the cost of a necessary  
35 public service that is the subject of a development fees assessment, the  
36 total amount advanced by the county for each facility, the source of the  
37 monies advanced and the terms under which the monies will be repaid to the  
38 county.

39 5. The amount of development fees monies spent on each necessary  
40 public service or facility expansion that is the subject of a development  
41 fees assessment and the physical location of each capital improvement  
42 project.

43 6. The amount of development fees monies spent for each purpose  
44 other than a necessary public service or facility expansion that is the  
45 subject of a development fees assessment.

1 Q. Within ninety days following the end of each fiscal year, each  
2 county shall submit a copy of the annual report to the clerk of the board  
3 of supervisors and post the annual report on the county's website. Copies  
4 shall be made available to the public on request. The annual report may  
5 contain financial information that has not been audited.

6 R. A county that fails to file the report and post the annual  
7 report on the county's website as required by this section shall not  
8 collect development fees until the report is filed and posted.

9 S. Any action to collect development fees shall be commenced within  
10 two years after the obligation to pay the development fees accrues.

11 T. A county may continue to assess development fees adopted before  
12 January 1, 2017 for any facility that was financed before June 1, 2016 if:

13 1. Development fees were pledged to repay debt service obligations  
14 related to the construction of the facility.

15 2. After January 1, 2018, any development fees collected under this  
16 subsection are used solely for the payment of principal and interest on  
17 the portion of the bonds, notes or other debt service obligations issued  
18 before June 1, 2016 to finance construction of the facility.

19 U. Through January 1, 2018, development fees adopted before January  
20 1, 2017 may be used to finance construction of a facility and may be  
21 pledged to repay debt service obligations if:

22 1. The facility that is being financed is a facility that is  
23 described under subsection V, paragraph 7, subdivision (a), (b), (c), (d)  
24 or (e) of this section.

25 2. The facility was included in an infrastructure improvements plan  
26 adopted before June 1, 2016.

27 3. The development fees are used for the payment of principal and  
28 interest on the portion of the bonds, notes or other debt service  
29 obligations issued to finance construction of the necessary public  
30 services or facility expansions identified in the infrastructure  
31 improvements plan.

32 V. For the purposes of this section:

33 1. "Dedication" means the actual conveyance date or the date an  
34 improvement, facility or real or personal property is placed into service,  
35 whichever occurs first.

36 2. "Development" means:

37 (a) The subdivision of land.

38 (b) The construction, reconstruction, conversion, structural  
39 alteration, relocation or enlargement of any structure that adds or  
40 increases the number of service units.

41 (c) Any use or extension of the use of land that increases the  
42 number of service units.

43 3. "Facility expansion" means the expansion of the capacity of an  
44 existing facility that serves the same function as an otherwise new  
45 necessary public service in order that the existing facility may serve new

1 development. Facility expansion does not include the repair, maintenance,  
2 modernization or expansion of an existing facility to better serve  
3 existing development.

4 4. "Final approval" means, for nonresidential or multifamily  
5 development, the approval of a site plan or, if no site plan is submitted  
6 for the development, the approval of a final subdivision plat.

7 5. "Infrastructure improvements plan" means a written plan that  
8 identifies each necessary public service or facility expansion that is  
9 proposed to be the subject of development fees and otherwise complies with  
10 the requirements of this section and may be the county's capital  
11 improvements plan.

12 6. "Land use assumptions" means projections of changes in land  
13 uses, densities, intensities and population for a specified service area  
14 over a period of at least ten years and pursuant to the general plan of  
15 the county.

16 7. "Necessary public service" means any of the following facilities  
17 that have a life expectancy of three or more years and that are owned and  
18 operated by or on behalf of the county:

19 (a) Water facilities, including the supply, transportation,  
20 treatment, purification and distribution of water, and any appurtenances  
21 for those facilities.

22 (b) Wastewater facilities, including collection, interception,  
23 transportation, treatment and disposal of wastewater, and any  
24 appurtenances for those facilities.

25 (c) Street facilities located in the service area, including  
26 arterial or collector streets or roads that have been designated on an  
27 officially adopted plan of the county, traffic signals and rights-of-way  
28 and improvements thereon. Improvements to rights-of-way do not include  
29 streetcars, railways or other forms of transportation and their  
30 corresponding tracks.

31 (d) Public safety facilities, including all appurtenances,  
32 equipment and vehicles. Public safety facilities do not include a  
33 facility or portion of a facility that is used to replace services that  
34 were once provided elsewhere in the county, vehicles and equipment used to  
35 provide administrative services, helicopters or airplanes, paramilitary  
36 vehicles, court and judicial facilities, facilities that are used for  
37 training firefighters or officers from more than one station or substation  
38 or jail, correctional or detention facilities.

39 (e) Neighborhood parks and recreational facilities on real property  
40 up to thirty acres in area, or parks and recreational facilities larger  
41 than thirty acres if the facilities provide a direct benefit to the  
42 development. Parks and recreational facilities do not include vehicles,  
43 equipment of that portion of any facility that is used for amusement  
44 parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural  
45 facilities, bandstand and orchestra facilities, bathhouses, boathouses,

1 clubhouses, community centers greater than three thousand square feet in  
2 floor area, environmental education centers, equestrian facilities,  
3 trails, golf course facilities, greenhouses, lakes, museums, theme parks,  
4 water reclamation or riparian areas, wetlands, zoo facilities or similar  
5 recreational facilities, but may include swimming pools and equipment or  
6 improvements constituting accessory or incidental amenities to a park or  
7 recreational facility allowed under this section.

8 (f) Any facility that was financed and that meets all of the  
9 requirements prescribed in subsection T of this section.

10 8. "Qualified professional" means a professional engineer,  
11 surveyor, financial analyst or planner providing services within the scope  
12 of the person's license, education or experience.

13 9. "Service area" means any specified area within the boundaries of  
14 a county in which development will be served by necessary public services  
15 or facility expansions and within which a substantial nexus exists between  
16 the necessary public services or facility expansions and the development  
17 being served as prescribed in the infrastructure improvements plan.

18 10. "Service unit" means a standardized measure of consumption,  
19 use, generation or discharge attributable to an individual unit of  
20 development calculated using data specific to the service area in which  
21 the facility will be located and pursuant to generally accepted  
22 engineering or planning standards for a particular category of necessary  
23 public services or facility expansions.

24 Sec. 5. Title 48, Arizona Revised Statutes, is amended by adding  
25 chapter 40, to read:

26 CHAPTER 40

27 STATE AFFORDABILITY INFRASTRUCTURE DISTRICTS

28 ARTICLE 1. GENERAL PROVISIONS

29 48-7001. Definitions

30 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

31 1. "AD VALOREM TAX" MEANS THE SECONDARY PROPERTY TAXES LEVIED BY A  
32 DISTRICT AGAINST THE NET ASSESSED LIMITED PROPERTY VALUATION OF REAL AND  
33 PERSONAL PROPERTY IN THE DISTRICT.

34 2. "ASSESSMENT" MEANS A CHARGE FOR THE COSTS OF ANY PUBLIC  
35 INFRASTRUCTURE PURPOSE LEVIED BY THE DISTRICT AGAINST SPECIFIC REAL  
36 PROPERTY WITHIN THE DISTRICT FOR THE COSTS OF ANY PUBLIC INFRASTRUCTURE  
37 PURPOSE BASED ON THE BENEFIT DETERMINED BY THE BOARD TO BE RECEIVED BY THE  
38 SPECIFIC REAL PROPERTY AGAINST WHICH THE ASSESSMENT IS LEVIED.

39 3. "AUTHORITY" MEANS THE ARIZONA FINANCE AUTHORITY ESTABLISHED BY  
40 SECTION 41-5352.

41 4. "BOARD" MEANS THE BOARD OF DIRECTORS OF A DISTRICT CREATED  
42 PURSUANT TO THIS CHAPTER.

43 5. "BONDS":

44 (a) MEANS ANY BOND PRESCRIBED BY THIS CHAPTER AND ISSUED BY A  
45 DISTRICT.

- 1 (b) INCLUDES GENERAL OBLIGATION BONDS, ASSESSMENT BONDS, REVENUE  
2 BONDS AND REFUNDING BONDS.
- 3 6. "CLERK" MEANS THE PERSON APPOINTED BY THE BOARD TO BE THE  
4 DISTRICT CLERK.
- 5 7. "COUNTY" MEANS THE COUNTY IN WHICH A DISTRICT IS FORMED PURSUANT  
6 TO THIS CHAPTER.
- 7 8. "DEBT SERVICE" MEANS THE PRINCIPAL OF, INTEREST ON AND PREMIUM,  
8 IF ANY, ON THE BONDS, WHEN DUE, WHETHER AT MATURITY OR PRIOR REDEMPTION  
9 AND FEES AND COSTS OF REGISTRARS, TRUSTEES, PAYING AGENTS OR OTHER AGENTS  
10 NECESSARY TO HANDLE THE BONDS AND THE COSTS OF CREDIT ENHANCEMENT OR  
11 LIQUIDITY SUPPORT.
- 12 9. "DISTRICT" MEANS A STATE AFFORDABILITY INFRASTRUCTURE DISTRICT  
13 FORMED PURSUANT TO THIS CHAPTER.
- 14 10. "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE  
15 AUTHORITY OR THE EXECUTIVE DIRECTOR'S DESIGNEE.
- 16 11. "FINANCING PLAN" MEANS THE DISTRICT'S CAPITAL PLAN CONTAINING  
17 FINANCIAL PROJECTIONS, ENGINEERING STUDIES, COST ALLOCATION, SEQUENCING  
18 AND MARKET-VALUE ANALYSES.
- 19 12. "FORMATION ORDER" MEANS THE WRITTEN ORDER ISSUED BY THE  
20 AUTHORITY EVIDENCING ITS FINAL APPROVAL OF THE FORMATION OF A DISTRICT  
21 PURSUANT TO THIS CHAPTER.
- 22 13. "GENERAL PLAN" MEANS THE GENERAL PLAN DESCRIBED IN SECTION  
23 48-7002, SUBSECTION B, AS THE PLAN MAY BE AMENDED.
- 24 14. "MARKET VALUE" HAS THE SAME MEANING PRESCRIBED IN SECTION  
25 28-7091, AS INDICATED BY AN APPRAISAL OF THE REAL PROPERTY BY AN APPRAISER  
26 WHO IS LICENSED OR CERTIFIED PURSUANT TO TITLE 32, CHAPTER 36.
- 27 15. "MAXIMUM AUTHORIZED TAX RATE" MEANS THE MAXIMUM TAX RATE FOR AD  
28 VALOREM TAXES PLEDGED TO SECURE GENERAL OBLIGATION BONDS APPROVED AT AN  
29 ELECTION AUTHORIZING THE LEVY OF AD VALOREM TAXES AND THE ISSUANCE OF  
30 GENERAL OBLIGATION BONDS AND INDICATED IN THE PETITION, PROVIDED THAT THE  
31 MAXIMUM AUTHORIZED TAX RATE SHALL NOT EXCEED \$5 PER \$100 OF NET ASSESSED  
32 LIMITED PROPERTY VALUATION OF PROPERTY WITHIN THE BOUNDARIES OF THE  
33 DISTRICT, EXCEPT AS PRESCRIBED IN SECTION 48-7021, SUBSECTION B.
- 34 16. "MUNICIPALITY" MEANS A CITY OR TOWN IN WHICH A DISTRICT IS  
35 FORMED PURSUANT TO THIS CHAPTER.
- 36 17. "NET PREMIUM" MEANS THE DIFFERENCE BETWEEN THE PAR AMOUNT OF  
37 THE GENERAL OBLIGATION BOND ISSUE AND THE GENERAL OBLIGATION BOND ISSUE  
38 PRICE THAT IS DETERMINED PURSUANT TO UNITED STATES DEPARTMENT OF THE  
39 TREASURY REGULATIONS.
- 40 18. "O/M TAX" MEANS A SECONDARY PROPERTY TAX LEVIED TO PAY THE  
41 EXPENSES OF OPERATING, MAINTAINING AND ADMINISTERING THE DISTRICT AND THE  
42 PUBLIC INFRASTRUCTURE FINANCED BY THE DISTRICT, INCLUDING LEGAL EXPENSES  
43 AND EXPENSES ASSOCIATED WITH INSURANCE COVERAGE, AS APPROVED BY THE  
44 DISTRICT IN ITS BUDGET.

1           19. "OWNER" MEANS THE PERSON OR ENTITY THAT, ON THE DAY THE ACTION,  
2 ELECTION OR PROCEEDING IS BEGUN OR HELD, APPEARS TO BE THE FEE-TITLE OWNER  
3 OF REAL PROPERTY AS SHOWN ON THE PROPERTY TAX ASSESSMENT ROLL.

4           20. "PETITION" MEANS A PETITION SUBMITTED TO THE AUTHORITY TO  
5 INITIATE FORMATION OF A DISTRICT PURSUANT TO THIS CHAPTER.

6           21. "PETITIONER" MEANS THE PERSON OR ENTITY THAT INITIATES THE  
7 FORMATION OF A DISTRICT BY SUBMITTING A PETITION TO THE AUTHORITY PURSUANT  
8 TO THIS CHAPTER AND INCLUDES ANY SUCCESSOR OR ASSIGNEE OF THAT PERSON OR  
9 ENTITY THAT THE AUTHORITY RECOGNIZES AS THE PETITIONER FOR THE PURPOSES OF  
10 THE PETITION AND FORMATION ORDER.

11           22. "PUBLIC INFRASTRUCTURE" MEANS ALL IMPROVEMENTS LISTED IN THIS  
12 PARAGRAPH THAT WILL RESULT IN A BENEFICIAL USE PRINCIPALLY TO LAND WITHIN  
13 THE GEOGRAPHICAL LIMITS OF THE DISTRICT AND MAY INCLUDE A DISTRICT'S SHARE  
14 OF ANY IMPROVEMENTS LISTED IN THIS PARAGRAPH IF THE DISTRICT BOARD  
15 DETERMINES SUCH SHARE IS PROPORTIONATE TO THE BENEFICIAL USE OF SUCH  
16 IMPROVEMENTS TO LAND WITHIN THE GEOGRAPHICAL LIMITS OF THE DISTRICT,  
17 IMPROVEMENTS WITHIN OR OUTSIDE THE GEOGRAPHICAL LIMITS OF THE DISTRICT,  
18 NECESSARY OR INCIDENTAL WORK, INCLUDING LAND CLEARANCE AND ENVIRONMENTAL  
19 REMEDIATION ACTIVITIES, WHETHER NEWLY CONSTRUCTED, RENOVATED OR EXISTING,  
20 AND ALL NECESSARY OR DESIRABLE APPURTENANCES. FOR THE PURPOSES OF THIS  
21 PARAGRAPH, ADOPTION BY THE DISTRICT BOARD OF A RESOLUTION OF INTENT  
22 PURSUANT TO SECTION 48-7008 SHALL CONCLUSIVELY ESTABLISH THAT THE  
23 IMPROVEMENTS OR, IF APPLICABLE, SHARE OF THE IMPROVEMENTS THAT ARE THE  
24 SUBJECT OF THE RESOLUTION WILL RESULT IN A BENEFICIAL USE PRINCIPALLY TO  
25 LAND WITHIN THE GEOGRAPHICAL LIMITS OF THE DISTRICT. PUBLIC INFRASTRUCTURE  
26 IMPROVEMENTS ARE:

27           (a) WATER, WASTEWATER, SEWER, STORMWATER AND FLOOD CONTROL  
28 FACILITIES AND APPURTENANCES USED FOR THE DEVELOPMENT, TREATMENT, STORAGE,  
29 CONVEYANCE, CONTROL, REUSE, DISTRIBUTION, CONNECTION AND LAWFUL  
30 DISPOSITION OF POTABLE AND NONPOTABLE WATER, WASTEWATER, STORMWATER AND  
31 FLOODWATERS FOR RESIDENTIAL, COMMERCIAL, GOVERNMENTAL, IRRIGATION AND  
32 FIRE-SUPPRESSION USES, EXCLUDING INFRASTRUCTURE DEDICATED PRIMARILY TO  
33 AGRICULTURAL IRRIGATION FACILITIES IMPACTED BY OTHER IMPROVEMENTS  
34 AUTHORIZED BY THIS CHAPTER, ALL TO THE EXTENT LOCATED WITHIN OR NECESSARY  
35 TO SERVE THE DISTRICT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS  
36 CHAPTER, A DISTRICT SHALL NOT FINANCE, CONSTRUCT, ACQUIRE, INSTALL, OWN OR  
37 OPERATE ANY WATER, WASTEWATER, SEWER OR RELATED FACILITIES DESCRIBED IN  
38 THIS CHAPTER IF THOSE FACILITIES ARE LOCATED OR WILL BE LOCATED WITHIN THE  
39 CERTIFICATED SERVICE TERRITORY OF ANY PUBLIC SERVICE CORPORATION THAT  
40 HOLDS A CERTIFICATE OF CONVENIENCE AND NECESSITY ISSUED PURSUANT TO TITLE  
41 40, CHAPTER 2, ARTICLE 4, UNLESS THE AFFECTED PUBLIC SERVICE CORPORATION  
42 HAS PROVIDED PRIOR WRITTEN AUTHORIZATION TO THE DISTRICT. IF THE AFFECTED  
43 PUBLIC SERVICE CORPORATION PROVIDES THAT WRITTEN AUTHORIZATION, THE  
44 DISTRICT MUST PLAN, DESIGN, ENGINEER, CONSTRUCT AND INSTALL THE WATER,  
45 WASTEWATER, SEWER OR RELATED FACILITIES IN COORDINATION WITH AND TO THE

1 STANDARDS OF THE AFFECTED PUBLIC SERVICE CORPORATION AND SHALL CONVEY  
2 OWNERSHIP OF THESE FACILITIES TO THE PUBLIC SERVICE CORPORATION ON  
3 COMPLETION.

4 (b) TRANSPORTATION AND MOBILITY FACILITIES, IMPROVEMENTS AND  
5 APPURTENANCES USED TO PROVIDE VEHICULAR AND NONVEHICULAR CIRCULATION,  
6 ACCESS, EGRESS AND PARKING, INCLUDING STREETS, ROADS, HIGHWAYS, BRIDGES,  
7 ALLEYS, PARKING FACILITIES, SIDEWALKS, TRAILS, PATHWAYS, BICYCLE  
8 FACILITIES, EQUESTRIAN ROUTES AND OTHER AREAS AND IMPROVEMENTS INTENDED  
9 FOR MOTORIZED AND NONMOTORIZED TRAVEL AND PARKING, AND, IF LOCATED WITHIN  
10 OR NECESSARY TO SERVE THE DISTRICT, RAILWAY CORRIDORS, RAIL CROSSINGS,  
11 GRADE SEPARATIONS, SIDINGS, SIGNALIZATION AND RELATED RAIL TRANSPORTATION  
12 FACILITIES AND TRAFFIC MANAGEMENT AND CONTROL FACILITIES AND DEVICES,  
13 INCLUDING SIGNALS, INTELLIGENT TRANSPORTATION SYSTEMS, CONTROLS, PAVEMENT  
14 MARKINGS, WAYFINDING, SIGNAGE AND LIGHTING AND ILLUMINATIONS SYSTEMS,  
15 INCLUDING STREET LIGHTING, PATHWAY LIGHTING, AREA LIGHTING AND RELATED  
16 ELECTRICAL AND CONTROL FACILITIES.

17 (c) PUBLIC REALM AND OPEN SPACE AMENITIES, INCLUDING PEDESTRIAN  
18 MALLS, PARKS, PLAZAS, RECREATIONAL FACILITIES OTHER THAN STADIUMS, AND  
19 OTHER AREAS AND IMPROVEMENTS INTENDED FOR PUBLIC ENTERTAINMENT, ASSEMBLY,  
20 AND RECREATION, TOGETHER WITH LANDSCAPING, GRADING, EARTHWORKS,  
21 STRUCTURES, PLANTINGS, TREES, IRRIGATION AND WATER DELIVERY SYSTEMS AND  
22 RELATED SITE IMPROVEMENTS. CONSTRUCTION OR MAINTENANCE OF WATER PARKS OR  
23 DECORATIVE WATER FEATURES, INCLUDING LAKES, PONDS OR LAGOONS, IS  
24 PROHIBITED, EXCEPT AS PROVIDED IN SECTION 45-132, SUBSECTION B,  
25 PARAGRAPH 4.

26 (d) PUBLIC BUILDINGS AND PUBLIC SAFETY FACILITIES, INCLUDING  
27 POLICE, FIRE AND EMERGENCY SERVICES FACILITIES AND RELATED IMPROVEMENTS.

28 (e) COMMUNICATIONS AND DIGITAL INFRASTRUCTURE, INCLUDING  
29 FIBEROPTIC, WIRELESS AND BROADBAND FACILITIES, CONDUITS, TOWERS, ANTENNAS,  
30 DATA TRANSMISSION SYSTEMS, NETWORK EQUIPMENT, PUBLIC SAFETY COMMUNICATIONS  
31 FACILITIES, AND RELATED APPURTENANCES AND RIGHTS-OF-WAY.

32 (f) EQUIPMENT, VEHICLES, FURNISHINGS, TECHNOLOGY AND OTHER PERSONAL  
33 PROPERTY AND APPURTENANCES RELATED TO OR NECESSARY FOR THE OPERATION OF  
34 ANY PUBLIC INFRASTRUCTURE AUTHORIZED BY THIS CHAPTER.

35 (g) REFINANCING ANY MATURED OR UNMATURED BONDS WITH NEW BONDS.

36 23. "PUBLIC INFRASTRUCTURE PURPOSE" MEANS:

37 (a) PLANNING, DESIGNING, ENGINEERING, CONSTRUCTING, ACQUIRING OR  
38 INSTALLING PUBLIC INFRASTRUCTURE.

39 (b) ACQUIRING, CONVERTING, RENOVATING OR IMPROVING EXISTING  
40 FACILITIES FOR PUBLIC INFRASTRUCTURE.

41 (c) ACQUIRING INTERESTS IN REAL PROPERTY FOR PUBLIC INFRASTRUCTURE.

42 (d) ESTABLISHING, MAINTAINING AND REPLENISHING RESERVES IN ORDER TO  
43 SECURE PAYMENT OF DEBT SERVICE ON BONDS.

44 (e) FUNDING AND PAYING FROM BOND PROCEEDS INTEREST ACCRUING ON  
45 BONDS FOR A PERIOD OF NOT TO EXCEED THREE YEARS AFTER THEIR DATE OF

1 ISSUANCE AND COSTS OF ISSUANCE OF THE BONDS AND UNDERWRITER AND PLACEMENT  
2 AGENT FEES.

3 (f) PROVIDING FOR THE TIMELY PAYMENT OF DEBT SERVICE ON  
4 INDEBTEDNESS OF THE DISTRICT OR OF DEVELOPMENT FEES OR SIMILAR EXACTIONS  
5 IMPOSED BY A MUNICIPALITY OR OTHER PUBLIC ENTITY, TO THE EXTENT THOSE  
6 CHARGES ARE IMPOSED TO FUND PUBLIC INFRASTRUCTURE THAT IS LOCATED WITHIN,  
7 PRIMARILY SERVES OR IS NECESSITATED BY DEVELOPMENT WITHIN THE DISTRICT.

8 (g) REFINANCING ANY MATURED OR UNMATURED BONDS WITH NEW BONDS.

9 (h) INCURRING EXPENSES OF THE DISTRICT THAT ARE INCIDENTAL TO AND  
10 REASONABLY NECESSARY TO CARRY OUT THE PURPOSES SPECIFIED IN THIS  
11 PARAGRAPH.

12 24. "QUALIFIED ELECTOR" MEANS A PERSON WHO IS A QUALIFIED ELECTOR  
13 PURSUANT TO TITLE 16 AND WHO RESIDES WITHIN THE BOUNDARIES OF A DISTRICT.

14 25. "TREASURER" MEANS THE PERSON APPOINTED BY THE BOARD TO BE THE  
15 DISTRICT TREASURER.

16 48-7002. Petition to form district; contents of petition;  
17 filings; limitation of liability

18 A. A STATE AFFORDABILITY INFRASTRUCTURE DISTRICT MAY BE FORMED  
19 PURSUANT TO THIS CHAPTER BY PETITION OF ALL INDIVIDUALS AND ENTITIES  
20 HAVING FEE-TITLE OWNERSHIP OF ALL REAL PROPERTY IN THE PROPOSED DISTRICT.  
21 THE PETITION SHALL BE SUBMITTED TO THE AUTHORITY. THE DISTRICT MAY  
22 INCLUDE CONTIGUOUS OR NONCONTIGUOUS PROPERTY, PROVIDED THAT ALL  
23 NONCONTIGUOUS PROPERTY SHALL BE LOCATED IN THE SAME COUNTY AND SHALL LIE  
24 WITHIN FIVE MILES OF THE BOUNDARY OF OTHER PROPERTY WITHIN THE DISTRICT,  
25 MEASURED IN A STRAIGHT LINE BETWEEN SUCH PARCEL BOUNDARIES. IF ANY  
26 PORTION OF A DISTRICT IS LOCATED WITHIN THE CORPORATE LIMITS OF A  
27 MUNICIPALITY, THE ENTIRE DISTRICT SHALL AT ALL TIMES BE LOCATED WITHIN THE  
28 CORPORATE LIMITS OR WITHIN THE ADOPTED PLANNING AREA OF THAT MUNICIPALITY,  
29 AS SUCH LIMITS OR PLANNING AREA MAY BE AMENDED FROM TIME TO TIME.

30 B. THE PETITION SHALL CONTAIN ALL OF THE FOLLOWING:

31 1. A METES AND BOUNDS DESCRIPTION AND A MAP OF THE DISTRICT  
32 BOUNDARIES.

33 2. THE PROPOSED NAME OF THE DISTRICT.

34 3. A GENERAL PLAN SETTING OUT A GENERAL DESCRIPTION OF THE PUBLIC  
35 INFRASTRUCTURE FOR WHICH THE DISTRICT IS PROPOSED TO BE FORMED AND FOR  
36 WHICH BONDS MAY BE ISSUED, THE GENERAL AREAS TO BE IMPROVED AND THE  
37 ESTIMATED COSTS OF CONSTRUCTING OR ACQUIRING THE PUBLIC INFRASTRUCTURE TO  
38 BE FINANCED, CONSTRUCTED OR ACQUIRED BY THE DISTRICT.

39 4. A GENERAL DESCRIPTION OF THE ESTIMATED COST OF ENGINEERING  
40 SERVICES, LEGAL SERVICES, ADMINISTRATIVE SERVICES AND OTHER MAJOR EXPENSES  
41 THAT ARE RELATED TO ORGANIZING AND INITIALLY OPERATING THE DISTRICT.

42 5. AN ENGINEER'S ESTIMATE OF THE COSTS OF THE PUBLIC INFRASTRUCTURE  
43 FOR WHICH THE DISTRICT IS PROPOSED TO BE FORMED AND FOR WHICH BONDS MAY BE  
44 ISSUED.

- 1           6. THE MAXIMUM AUTHORIZED TAX RATE, THE MAXIMUM AGGREGATE PRINCIPAL  
2 AMOUNT OF GENERAL OBLIGATION BONDS AND THE MAXIMUM AGGREGATE ASSESSMENT  
3 AMOUNT, IF ANY.
- 4           7. THE MAXIMUM O/M TAX RATE, IF ANY.
- 5           8. A PRELIMINARY FINANCING PLAN THAT INCLUDES THE ANTICIPATED  
6 SOURCES AND USES OF MONIES FOR THE PUBLIC INFRASTRUCTURE.
- 7           9. IF THE DISTRICT PROPOSES TO ISSUE ASSESSMENT BONDS, AN APPRAISAL  
8 OR AN OPINION OF VALUE PREPARED BY A LICENSED REAL ESTATE BROKER  
9 INDICATING THE AGGREGATE AS-IS VALUE OF REAL PROPERTY IN THE DISTRICT AND  
10 THE PROJECTED VALUE OF THE REAL PROPERTY AND IMPROVEMENTS IN THE DISTRICT  
11 AFTER COMPLETION OF THE PUBLIC INFRASTRUCTURE PROPOSED TO BE FINANCED WITH  
12 SUCH ASSESSMENT BONDS.
- 13          10. IF THE DISTRICT PROPOSES TO ISSUE GENERAL OBLIGATION BONDS, A  
14 THIRD-PARTY MARKET STUDY THAT INCLUDES PROJECTIONS OF THE LIMITED PROPERTY  
15 VALUE OF REAL PROPERTY IN THE DISTRICT FOR EACH YEAR IN WHICH GENERAL  
16 OBLIGATION BONDS ARE PROPOSED TO BE OUTSTANDING, TOGETHER WITH INFORMATION  
17 DEMONSTRATING THAT DEBT SERVICE ON SUCH BONDS CAN BE SUPPORTED WITHIN THE  
18 MAXIMUM AUTHORIZED TAX RATE.
- 19          11. A STATEMENT OF ALL HOLDERS OF FEE TITLE TO ALL REAL PROPERTY IN  
20 THE DISTRICT, THE INITIAL BOARD MEMBERS, THE INITIAL TERMS OF OFFICE OF  
21 THE INITIAL BOARD MEMBERS AND THE DISTRICT CLERK AND THE DISTRICT  
22 TREASURER.
- 23          12. A STATEMENT OF BOND COUNSEL INDICATING THAT THE PETITION  
24 COMPLIES WITH THE PROCEDURAL REQUIREMENTS OF THIS SECTION.
- 25          13. A COPY OF ANY EXISTING AND APPLICABLE DEVELOPMENT AGREEMENT OR  
26 OTHER AGREEMENT WITH THE MUNICIPALITY OR THE COUNTY THAT RELATES TO PUBLIC  
27 INFRASTRUCTURE AND THAT IS RECORDED AGAINST THE LAND INCLUDED WITHIN THE  
28 BOUNDARIES OF THE DISTRICT, AND A CERTIFICATION BY THE PETITIONER THAT THE  
29 FORMATION OF THE DISTRICT WILL NOT VIOLATE ANY SUCH AGREEMENT.
- 30          14. A WRITTEN STATEMENT, SIGNED BY AN ENGINEER, CERTIFYING THAT THE  
31 ESTIMATED COST OF THE PUBLIC INFRASTRUCTURE TO BE CONSTRUCTED IN THE  
32 PROPOSED DISTRICT EXCEEDS \$5,000,000.
- 33          15. A SUMMARY OF THE ANTICIPATED COMMUNITY BENEFITS OF FORMING THE  
34 DISTRICT, INCLUDING EXPECTED IMPACTS ON PUBLIC INFRASTRUCTURE TIMING,  
35 HOUSING ATTAINABILITY AND ECONOMIC DEVELOPMENT, TOGETHER WITH A  
36 DESCRIPTION OF ANY MATERIAL RISKS ASSOCIATED WITH DISTRICT FORMATION AND  
37 IMPLEMENTATION OF THE GENERAL PLAN, INCLUDING POTENTIAL TAX, ASSESSMENT  
38 AND FISCAL IMPACTS ON OWNERS OF REAL PROPERTY IN THE DISTRICT.
- 39          16. A FORMATION ORDER IN SUBSTANTIALLY FINAL AND RECORDABLE FORM.
- 40          17. A DESCRIPTION OF THE PETITIONER, INCLUDING:
  - 41           (a) THE LEGAL NAME OF EACH ENTITY OR INDIVIDUAL HAVING FEE-TITLE  
42 OWNERSHIP OF ANY REAL PROPERTY IN THE PROPOSED DISTRICT.
  - 43           (b) THE NAME, ADDRESS AND TELEPHONE NUMBER OF THE PRIMARY CONTACT  
44 FOR THE PETITIONER.

1 (c) THE NAMES OF ANY LEGAL REPRESENTATIVES, ENGINEERS, ARCHITECTS,  
2 FINANCIAL CONSULTANTS OR OTHER CONSULTANTS THAT ARE SIGNIFICANTLY INVOLVED  
3 IN THE PETITION.

4 (d) A GENERAL DESCRIPTION OF THE PETITIONER'S EXPERIENCE WITH  
5 SIMILAR TYPES OF DEVELOPMENTS THAT THE DISTRICT WILL SUPPORT.

6 C. ANY FINANCIAL BURDEN OF A DISTRICT IS BORNE SOLELY BY THE  
7 DISTRICT AND IS NOT BORNE BY THE AUTHORITY, THIS STATE OR ANY  
8 MUNICIPALITY, COUNTY OR OTHER POLITICAL SUBDIVISION OF THIS STATE. ANY  
9 LIABILITY, JUDGMENT OR CLAIM AGAINST A DISTRICT IS THE SOLE RESPONSIBILITY  
10 OF THE DISTRICT AND DOES NOT CONSTITUTE A LIABILITY, JUDGMENT OR CLAIM  
11 AGAINST THE AUTHORITY, THIS STATE OR ANY MUNICIPALITY, COUNTY OR OTHER  
12 POLITICAL SUBDIVISION OF THIS STATE.

13 D. THE PETITION SHALL BE FILED WITH THE AUTHORITY. THE PETITIONER  
14 SHALL PROVIDE WRITTEN NOTICE OF THE FILING OF THE PETITION TO EACH  
15 AFFECTED MUNICIPALITY AND, IF THE DISTRICT IS LOCATED IN AN UNINCORPORATED  
16 AREA, TO THE COUNTY. THE NOTICE SHALL STATE THAT THE DISTRICT WILL BE  
17 FORMED NOT LESS THAN THIRTY DAYS AND NOT MORE THAN SIXTY DAYS AFTER  
18 SUBMITTING THE PETITION, SUBJECT TO APPROVAL BY THE AUTHORITY, AND THAT  
19 THE MUNICIPALITY OR THE COUNTY, AS APPLICABLE, MAY SUBMIT TO THE AUTHORITY  
20 WITHIN THIRTY DAYS AFTER THE FILING OF THE PETITION A WRITTEN NOTICE THAT  
21 IDENTIFIES A BASIS FOR DENIAL OF THE PETITION PURSUANT TO SECTION 48-7003,  
22 SUBSECTION D, PARAGRAPH 4.

23 E. IF THE AUTHORITY DETERMINES THAT THE PETITION IS INCOMPLETE OR  
24 DEFICIENT, THE PETITIONER SHALL HAVE A PERIOD OF SIXTY DAYS AFTER WRITTEN  
25 NOTICE OF THE DEFICIENCIES TO SUBMIT CORRECTIONS OF THE DEFICIENCIES. IF  
26 THE CORRECTIONS OF THE DEFICIENCIES ARE NOT SUBMITTED TO THE AUTHORITY  
27 WITHIN SIXTY DAYS AFTER NOTICE OR DO NOT CORRECT THE DEFICIENCIES,  
28 THE AUTHORITY MAY REJECT THE PETITION PURSUANT TO SECTION 48-7003,  
29 SUBSECTION D.

30 F. FOR THE PURPOSES OF THIS CHAPTER, ALL CERTIFICATIONS,  
31 DETERMINATIONS, APPROVALS, FINDINGS AND ACTIONS REQUIRED TO BE MADE BY THE  
32 AUTHORITY SHALL BE MADE BY THE EXECUTIVE DIRECTOR. NO ACTION, APPROVAL,  
33 RESOLUTION OR VOTE OF THE BOARD OF DIRECTORS OF THE AUTHORITY IS REQUIRED  
34 FOR ANY CERTIFICATION, DETERMINATION OR ACTION TAKEN BY THE EXECUTIVE  
35 DIRECTOR PURSUANT TO THIS CHAPTER. ANY ACTION TAKEN BY THE EXECUTIVE  
36 DIRECTOR PURSUANT TO THIS CHAPTER IS DEEMED AN ACTION OF THE AUTHORITY.

37 48-7003. Authority; formation order; limitations on  
38 rejection; fees

39 A. A DISTRICT SHALL BE FORMED ONLY ON THE ISSUANCE OF A FORMATION  
40 ORDER BY THE AUTHORITY. THE AUTHORITY SHALL REVIEW THE PETITION SUBMITTED  
41 PURSUANT TO SECTION 48-7002 AND ACCOMPANYING MATERIALS TO EVALUATE, SOLELY  
42 ON THE BASIS OF THE INFORMATION INCLUDED WITH THE PETITION, THE FOLLOWING:

43 1. WHETHER ANY APPRAISAL, THIRD-PARTY MARKET STUDY OR OPINION OF  
44 VALUE THAT IS PROVIDED IN CONNECTION WITH THE PETITION IS COMPLETE.

1           2. WHETHER THE DESCRIPTION OF THE PROPOSED PUBLIC INFRASTRUCTURE IN  
2 THE GENERAL PLAN APPEARS COMPLETE ON ITS FACE AND DOES NOT CONTAIN OBVIOUS  
3 ERRORS, WITHOUT ANY INDEPENDENT ENGINEERING INVESTIGATION, ANALYSIS OR  
4 VERIFICATION.

5           3. WHETHER THE PRELIMINARY FINANCING PLAN INCLUDES THE ANTICIPATED  
6 SOURCES AND USES OF MONIES FOR THE PUBLIC INFRASTRUCTURE.

7           4. WHETHER THE DISTRICT IS REASONABLY EXPECTED TO HAVE THE  
8 FINANCIAL ABILITY TO DISCHARGE ITS PROPOSED INDEBTEDNESS WITHIN THE  
9 MAXIMUM AUTHORIZED TAX RATE AND MAXIMUM AGGREGATE ASSESSMENT AMOUNT, AS  
10 APPLICABLE.

11           5. WHETHER FORMATION OF THE DISTRICT WILL VIOLATE ANY EXISTING AND  
12 APPLICABLE DEVELOPMENT AGREEMENT OR OTHER AGREEMENT WITH THE MUNICIPALITY  
13 OR THE COUNTY THAT RELATES TO THE LAND INCLUDED WITHIN THE BOUNDARIES OF  
14 THE DISTRICT THAT WAS SUBMITTED TO THE AUTHORITY IN CONNECTION WITH THE  
15 PETITION.

16           B. THE AUTHORITY SHALL APPROVE FORMATION OF THE DISTRICT AND ISSUE  
17 THE FORMATION ORDER FOR THE DISTRICT IF THE AUTHORITY FINDS THAT ALL OF  
18 THE FOLLOWING OCCURRED:

19           1. ALL REQUIRED DOCUMENTS HAVE BEEN SUBMITTED IN THE FORM  
20 PRESCRIBED BY THIS CHAPTER.

21           2. THE PROPOSED DISTRICT MEETS ALL STATUTORY ELIGIBILITY AND  
22 BOUNDARY REQUIREMENTS THAT ARE ESTABLISHED UNDER THIS CHAPTER.

23           3. THE NOTICE TO EACH AFFECTED MUNICIPALITY AND, IF THE DISTRICT IS  
24 LOCATED IN AN UNINCORPORATED AREA, TO THE COUNTY HAS BEEN PROVIDED AS  
25 PRESCRIBED BY SECTION 48-7002, SUBSECTION D.

26           4. SOLELY ON THE BASIS OF THE INFORMATION SUBMITTED IN CONNECTION  
27 WITH THE PETITION, INCLUDING ANY APPRAISAL, THIRD-PARTY MARKET STUDY OR  
28 OPINION OF VALUE, THE DISTRICT HAS, OR WILL HAVE, THE FINANCIAL ABILITY TO  
29 DISCHARGE ITS PROPOSED INDEBTEDNESS WITHIN THE MAXIMUM AUTHORIZED TAX RATE  
30 AND MAXIMUM AGGREGATE ASSESSMENT AMOUNT, AS APPLICABLE.

31           C. IF THE REQUIREMENTS OF SUBSECTION B OF THIS SECTION ARE  
32 SATISFIED, THE AUTHORITY SHALL ISSUE A FORMATION ORDER WITHIN SIXTY DAYS  
33 AFTER THE SUBMISSION OF A COMPLETE PETITION. THE FORMATION ORDER SHALL  
34 INCLUDE ALL OF THE FOLLOWING:

35           1. THE NAME OF THE DISTRICT.

36           2. A METES AND BOUNDS DESCRIPTION AND A MAP OF THE DISTRICT'S  
37 BOUNDARIES.

38           3. A GENERAL DESCRIPTION OF THE PUBLIC INFRASTRUCTURE THAT THE  
39 DISTRICT MAY FINANCE.

40           4. A STATEMENT THAT A GENERAL PLAN AND A PRELIMINARY FINANCING PLAN  
41 FOR THE DISTRICT WILL BE ON FILE WITH THE CLERK.

42           5. THE TYPES OF BONDS THAT THE DISTRICT IS AUTHORIZED TO ISSUE.

43           6. THE MAXIMUM AUTHORIZED TAX RATE, THE MAXIMUM AUTHORIZED  
44 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS, THE MAXIMUM  
45 AGGREGATE ASSESSMENT AMOUNT AND THE MAXIMUM O/M TAX RATE.

1           7. THE NAMES AND INITIAL TERMS OF THE INITIAL BOARD OF DIRECTORS  
2 AND THAT THE DISTRICT WILL BE GOVERNED BY DIRECTORS WHO ARE CHOSEN  
3 PURSUANT TO THIS CHAPTER.

4           8. A STATEMENT THAT:

5           (a) THE FORMATION OF THE DISTRICT MAY RESULT IN THE LEVY OF AD  
6 VALOREM TAXES OR ASSESSMENTS TO PAY THE COSTS OF AUTHORIZED PUBLIC  
7 INFRASTRUCTURE THAT IS CONSTRUCTED BY THE DISTRICT AND FOR OPERATING AND  
8 MAINTAINING THE AUTHORIZED PUBLIC INFRASTRUCTURE.

9           (b) ANY AD VALOREM TAX THAT IS LEVIED FOR THE PAYMENT OF GENERAL  
10 OBLIGATION BONDS MAY NOT BE LEVIED AT A RATE THAT EXCEEDS THE MAXIMUM  
11 AUTHORIZED TAX RATE THAT IS APPROVED AT THE ELECTION THAT AUTHORIZED THE  
12 LEVY AND THE ISSUANCE OF THE BONDS, EXCEPT AS PRESCRIBED IN SECTION  
13 48-7021, SUBSECTION B.

14           (c) ANY BONDS OR OTHER OBLIGATIONS OF THE DISTRICT WILL NOT BE A  
15 DEBT, LEGAL OR MORAL, OF THIS STATE OR ANY MUNICIPALITY OR ANY COUNTY OF  
16 THIS STATE, ARE NOT OBLIGATIONS OF THIS STATE OR ANY MUNICIPALITY OR ANY  
17 COUNTY OF THIS STATE, ARE OBLIGATIONS OF THE DISTRICT AND ARE PAYABLE ONLY  
18 FROM THE SOURCES PLEDGED FOR THEIR PAYMENT.

19           D. THE AUTHORITY SHALL APPROVE FORMATION OF THE DISTRICT AND ISSUE  
20 THE FORMATION ORDER IF THE AUTHORITY DETERMINES THAT THE PETITION AND  
21 ACCOMPANYING MATERIALS MEET THE STATUTORY REQUIREMENTS OF THIS CHAPTER.  
22 THE AUTHORITY'S REVIEW IS LIMITED TO CONFIRMING THAT THE STATUTORY  
23 REQUIREMENTS OF THIS CHAPTER HAVE BEEN SATISFIED AND THE AUTHORITY MAY  
24 DENY A PETITION ONLY ON A WRITTEN FINDING OF ONE OF THE FOLLOWING:

25           1. THE PETITION IS INCOMPLETE.

26           2. THE FINANCIAL INFORMATION SUBMITTED IN CONNECTION WITH THE  
27 PETITION, INCLUDING ANY APPRAISAL, THIRD-PARTY MARKET STUDY OR OPINION OF  
28 VALUE, IS INCOMPLETE OR ILLUSTRATES THAT THE DISTRICT WILL NOT HAVE THE  
29 FINANCIAL ABILITY TO DISCHARGE ITS PROPOSED INDEBTEDNESS WITHIN THE  
30 MAXIMUM AUTHORIZED TAX RATE AND MAXIMUM AGGREGATE ASSESSMENT AMOUNT, AS  
31 APPLICABLE.

32           3. THE PROPOSED DISTRICT VIOLATES A STATUTORY PROHIBITION OR  
33 BOUNDARY RULE UNDER THIS CHAPTER, AND IN EACH CASE THE PETITIONER FAILED  
34 TO SUBMIT PROPOSED CORRECTIONS OF THE DEFICIENCIES WITHIN SIXTY DAYS AFTER  
35 NOTICE.

36           4. THE FORMATION OF THE PROPOSED DISTRICT WILL MATERIALLY VIOLATE  
37 ANY EXISTING AND APPLICABLE DEVELOPMENT AGREEMENT OR OTHER AGREEMENT WITH  
38 THE MUNICIPALITY OR THE COUNTY THAT RELATES TO PUBLIC INFRASTRUCTURE AND  
39 THAT IS RECORDED AGAINST THE LAND INCLUDED WITHIN THE BOUNDARIES OF THE  
40 DISTRICT WITH RESPECT TO THE DESIGN, CONSTRUCTION, CONVEYANCE, OPERATION  
41 OR MAINTENANCE OF THE PUBLIC INFRASTRUCTURE.

42           E. IF THE AUTHORITY DOES NOT ISSUE THE FORMATION ORDER WITHIN SIXTY  
43 DAYS AFTER SUBMISSION OF A COMPLETE PETITION, THE AUTHORITY SHALL PROVIDE  
44 A WRITTEN BASIS FOR NOT ADOPTING THE FORMATION ORDER AND SHALL IDENTIFY  
45 THE SPECIFIC CHANGES THAT ARE NEEDED FOR THE PETITION TO BE APPROVED AND

1 FOR THE DISTRICT TO BE FORMED. SUCH ACTION WILL NOT CONSTITUTE A DENIAL OF  
2 THE PETITION AND THE PETITION MAY BE REVISED AND RESUBMITTED AT ANY TIME.

3 F. ON ISSUANCE OF THE FORMATION ORDER BY THE AUTHORITY, THE  
4 DISTRICT SHALL CAUSE THE FORMATION ORDER TO BE RECORDED IN THE REAL  
5 PROPERTY RECORDS OF THE COUNTY IN WHICH THE DISTRICT IS LOCATED AND SHALL  
6 CAUSE A COPY OF THE FORMATION ORDER TO BE DELIVERED TO THE COUNTY ASSESSOR  
7 AND THE BOARD OF SUPERVISORS OF THE COUNTY IN WHICH THE DISTRICT IS  
8 LOCATED, TO ANY MUNICIPALITY IN WHICH THE DISTRICT IS LOCATED AND TO THE  
9 DEPARTMENT OF REVENUE. ON RECORDING THE FORMATION ORDER, THE DISTRICT IS  
10 ESTABLISHED AS A POLITICAL SUBDIVISION OF THIS STATE.

11 G. BEFORE RECORDING A FORMATION ORDER UNDER THIS SECTION, A GENERAL  
12 PLAN FOR THE DISTRICT SHALL BE RECORDED WITH THE COUNTY RECORDER OF THE  
13 COUNTY IN WHICH THE DISTRICT IS LOCATED THAT SETS OUT A GENERAL  
14 DESCRIPTION OF THE IMPROVEMENTS FOR WHICH THE DISTRICT IS PROPOSED TO BE  
15 FORMED AND THE AREAS TO BE IMPROVED.

16 H. ON FORMATION, THE DISTRICT IS A SPECIAL PURPOSE DISTRICT FOR THE  
17 PURPOSES OF ARTICLE IX, SECTION 19, CONSTITUTION OF ARIZONA, A TAX LEVYING  
18 PUBLIC IMPROVEMENT DISTRICT FOR THE PURPOSES OF ARTICLE XIII, SECTION 7,  
19 CONSTITUTION OF ARIZONA, AND A MUNICIPAL CORPORATION FOR ALL PURPOSES OF  
20 TITLE 35, CHAPTER 3, ARTICLES 3, 3.1, 3.2, 4 AND 5. A DISTRICT THAT  
21 DISTRIBUTES OR SELLS GROUNDWATER IS A PRIVATE WATER COMPANY ONLY FOR THE  
22 PURPOSES OF TITLE 45, CHAPTERS 2 AND 3.1. EXCEPT AS OTHERWISE PROVIDED IN  
23 THIS SECTION, A DISTRICT IS CONSIDERED TO BE A MUNICIPAL CORPORATION AND  
24 POLITICAL SUBDIVISION OF THIS STATE, SEPARATE AND APART FROM ANY  
25 MUNICIPALITY OR COUNTY IN WHICH THE DISTRICT IS LOCATED. NOTWITHSTANDING  
26 ANY OTHER LAW, A DISTRICT FORMED PURSUANT TO THIS CHAPTER DOES NOT HAVE  
27 THE POWER OF EMINENT DOMAIN AND DOES NOT HAVE THE POWER TO ENACT ZONING  
28 ORDINANCES. NOTWITHSTANDING ANY OTHER LAW, THIS CHAPTER DOES NOT IMPOSE  
29 ANY ADDITIONAL REGULATION OR REQUIREMENTS ON OR ALTER THE SERVICE  
30 TERRITORY, INCLUDING CERTIFICATES OF CONVENIENCE AND NECESSITY, OF ANY  
31 COUNTY, IRRIGATION DISTRICT, ELECTRICAL DISTRICT, AGRICULTURAL IMPROVEMENT  
32 DISTRICT, MUNICIPALITY OR PUBLIC SERVICE CORPORATION.

33 I. ON FORMATION OF THE DISTRICT, THE BOARD SHALL IMPLEMENT THE  
34 GENERAL PLAN FOR THE PUBLIC INFRASTRUCTURE OF THE DISTRICT.

35 J. FEES AND OTHER CHARGES ASSESSED BY THE AUTHORITY IN CONNECTION  
36 WITH THE SUBMISSION AND CONSIDERATION OF A PETITION TO FORM A DISTRICT MAY  
37 NOT EXCEED \$15,000. IF A PETITION IS DENIED BY THE AUTHORITY, IT MAY NOT  
38 ASSESS A FEE OR OTHER CHARGE IN CONNECTION WITH SUBMITTING AND CONSIDERING  
39 A SUBSTANTIALLY SIMILAR PETITION THAT IS SUBMITTED WITHIN NINETY DAYS  
40 AFTER THE DENIAL. FEES AND OTHER CHARGES ASSESSED BY A DISTRICT IN  
41 CONNECTION WITH ADMINISTERING THE DISTRICT, INCLUDING THE ISSUANCE AND  
42 SALE OF BONDS, MAY NOT EXCEED THE ACTUAL EXPENSE INCURRED BY THE DISTRICT  
43 FOR STAFF AND CONSULTANT SERVICES AND SUPPORT FACILITIES SUPPLIED BY THE  
44 DISTRICT OR THE FINANCIAL, LEGAL AND ADMINISTRATIVE COSTS OF THE DISTRICT

1 THAT ARE NOT REIMBURSED FROM PROCEEDS OF THE BONDS OR OTHER DISTRICT  
2 REVENUE.

3 K. AFTER THE FORMATION ORDER IS ISSUED, THE OWNERS OF AT LEAST  
4 FIFTY PERCENT OF THE LAND IN THE DISTRICT MAY PETITION THE AUTHORITY TO  
5 AMEND THE FORMATION ORDER TO MODIFY THE POWERS OR FINANCIAL PARAMETERS OF  
6 THE DISTRICT, INCLUDING ANY MAXIMUM AUTHORIZED TAX RATE, MAXIMUM  
7 AUTHORIZED AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS, MAXIMUM  
8 AGGREGATE ASSESSMENT AMOUNT OR MAXIMUM OPERATIONS AND MAINTENANCE TAX  
9 RATE. ANY SUCH PETITION FOR AMENDMENT SHALL:

10 1. DESCRIBE THE PROPOSED AMENDMENTS TO THE FORMATION ORDER AND  
11 GENERAL PLAN.

12 2. INCLUDE UPDATED FINANCIAL INFORMATION, INCLUDING AN UPDATED  
13 PRELIMINARY FINANCING PLAN, SUFFICIENT TO ALLOW THE AUTHORITY TO DETERMINE  
14 WHETHER THE DISTRICT IS REASONABLY EXPECTED TO HAVE THE FINANCIAL ABILITY  
15 TO DISCHARGE ITS PROPOSED INDEBTEDNESS WITHIN THE REVISED MAXIMUM  
16 AUTHORIZED TAX RATE AND MAXIMUM AGGREGATE ASSESSMENT AMOUNT, AS  
17 APPLICABLE.

18 3. DEMONSTRATE THAT THE PROPOSED AMENDMENTS DO NOT VIOLATE ANY  
19 APPLICABLE STATUTORY ELIGIBILITY OR BOUNDARY REQUIREMENTS OR ANY  
20 DEVELOPMENT AGREEMENT OR OTHER AGREEMENT WITH THE MUNICIPALITY OR COUNTY  
21 RELATING TO THE LAND WITHIN THE DISTRICT.

22 L. THE AUTHORITY SHALL REVIEW AND ACT ON A PETITION FOR AMENDMENT  
23 UNDER THE STANDARDS AND WITHIN THE TIME PERIODS PRESCRIBED IN SUBSECTIONS  
24 A THROUGH E OF THIS SECTION, AND, IF APPROVED, SHALL ISSUE AND CAUSE TO BE  
25 RECORDED AN AMENDED FORMATION ORDER REFLECTING THE APPROVED CHANGES.

26 M. ANY PETITION TO AMEND THE FORMATION ORDER THAT INCREASES THE  
27 MAXIMUM AUTHORIZED TAX RATE OR MAXIMUM AGGREGATE ASSESSMENT AMOUNT SHALL  
28 BE SIGNED BY ALL OWNERS OF ALL REAL PROPERTY IN THE DISTRICT.

29 N. THE AUTHORITY'S ISSUANCE OF A FORMATION ORDER PURSUANT TO THIS  
30 CHAPTER IS A GOVERNMENTAL DETERMINATION OF STATEWIDE FINANCIAL COMPLIANCE  
31 AND DOES NOT CONSTITUTE ZONING, PLANNING OR LAND-USE APPROVAL. ANY ACTION  
32 OF THE AUTHORITY OR THE EXECUTIVE DIRECTOR PURSUANT TO THIS ARTICLE IS THE  
33 EXERCISE OF AN ADMINISTRATIVE FUNCTION INVOLVING THE DETERMINATION OF  
34 FUNDAMENTAL GOVERNMENTAL POLICY AS PRESCRIBED IN SECTION 12-820.01.

35 48-7004. District governance; board of directors; elections;  
36 powers and duties

37 A. ON ISSUANCE OF THE FORMATION ORDER, A DISTRICT SHALL BE GOVERNED  
38 BY A BOARD OF DIRECTORS THAT CONSISTS OF THREE DIRECTORS. THE INITIAL  
39 DIRECTORS SHALL BE APPOINTED AS SET FORTH IN THE PETITION AND FORMATION  
40 ORDER.

41 B. SUBJECT TO SUBSECTION J OF THIS SECTION, EACH DIRECTOR SHALL  
42 EITHER HOLD A FEE TITLE TO REAL PROPERTY WITHIN THE DISTRICT OR BE AN  
43 INDIVIDUAL WHO IS DESIGNATED OR APPOINTED BY A HOLDER OF A FEE TITLE TO  
44 REAL PROPERTY WITHIN THE DISTRICT. A DIRECTOR WILL RESIGN FROM THE BOARD  
45 OF DIRECTORS IF AT ANY TIME DURING SUCH DIRECTOR'S TERM THE DIRECTOR IS NO

1 LONGER AN OWNER OF REAL PROPERTY WITHIN THE DISTRICT OR, IF SUCH DIRECTOR  
2 WAS DESIGNATED OR APPOINTED BY AN OWNER OF REAL PROPERTY WITHIN THE  
3 DISTRICT, SUCH OWNER OF REAL PROPERTY WITHIN THE DISTRICT IS NO LONGER AN  
4 OWNER OF REAL PROPERTY WITHIN THE DISTRICT. SUCH DIRECTOR'S VACANCY WILL  
5 BE FILLED PURSUANT TO SUBSECTION H OF THIS SECTION.

6 C. THE TERM OF THE INITIAL DIRECTORS BEGINS ON THE DATE OF THE  
7 FORMATION ORDER. OF THE INITIAL DIRECTORS, ONE DIRECTOR SHALL SERVE A  
8 TERM OF THREE YEARS, ONE DIRECTOR SHALL SERVE A TERM OF FOUR YEARS AND ONE  
9 DIRECTOR SHALL SERVE A TERM OF FIVE YEARS, AS SPECIFIED IN THE PETITION.  
10 THEREAFTER, EACH SUBSEQUENTLY ELECTED DIRECTOR SHALL SERVE A TERM OF THREE  
11 YEARS. THESE SUBSEQUENTLY ELECTED DIRECTORS SHALL BE AN OWNER OF REAL  
12 PROPERTY IN THE DISTRICT WHO SHALL BE ELECTED AT LARGE BY THE OWNERS OF  
13 REAL PROPERTY IN THE DISTRICT, AS SHOWN ON THE PROPERTY TAX ASSESSMENT  
14 ROLL, WHO ARE QUALIFIED TO VOTE PURSUANT TO SECTION 48-7041. THE BOARD  
15 SHALL DEVELOP BYLAWS FOR THE OPERATION OF THE DISTRICT.

16 D. ONLY THE OWNERS THAT HOLD FEE TITLE TO REAL PROPERTY IN THE  
17 DISTRICT AND THEIR RESPECTIVE DESIGNEES AND APPOINTEES ARE ELIGIBLE TO  
18 VOTE IN:

19 1. AN ELECTION REGARDING AN AD VALOREM TAX OR AN ASSESSMENT TO BE  
20 LEVIED AGAINST THE REAL PROPERTY IN THE DISTRICT.

21 2. AN ELECTION FOR THE BOARD OF THE DISTRICT.

22 3. AN ELECTION FOR DISSOLUTION OF THE DISTRICT.

23 E. CORPORATIONS, PARTNERSHIPS AND OTHER BUSINESS ENTITIES ARE  
24 ELIGIBLE TO VOTE AS PROPERTY OWNERS, BUT ONLY ONE VOTE MAY BE CAST FOR  
25 EACH ONE-SEVENTH OF AN ACRE OF REAL PROPERTY IN THE DISTRICT, EXCEPT THAT  
26 ANY FRACTION OF OWNERSHIP OF REAL PROPERTY THAT IS LESS THAN ONE-SEVENTH  
27 OF AN ACRE ENTITLES THE OWNER TO CAST ONE VOTE. A MAJORITY OF THE  
28 ACREAGE, AS REPRESENTED BY THE VOTES CAST AT AN ELECTION THAT IS CONDUCTED  
29 SOLELY UNDER THIS ACREAGE SYSTEM, DETERMINES THE RESULT OF THE ELECTION.

30 F. AN ELECTION CONDUCTED UNDER THIS SECTION SHALL BE HELD AS A  
31 SPECIAL ELECTION OF THE DISTRICT AND SHALL BE NOTICED, CALLED, CONDUCTED  
32 AND CANVASSED BY THE BOARD IN THE MANNER PRESCRIBED BY THIS CHAPTER. THE  
33 BOARD MAY ENTER INTO INTERGOVERNMENTAL AGREEMENTS WITH THE COUNTY, A  
34 MUNICIPALITY OR ANOTHER PUBLIC ENTITY FOR ELECTION ADMINISTRATION,  
35 INCLUDING REIMBURSEMENT OF REASONABLE COSTS OF DISTRICT ELECTIONS.

36 G. THE BOARD SHALL:

37 1. ADOPT AND AMEND THE GENERAL PLAN FOR THE DISTRICT.

38 2. AUTHORIZE AND APPROVE THE ISSUANCE OF BONDS OF THE DISTRICT AS  
39 PROVIDED BY THIS CHAPTER.

40 3. LEVY AD VALOREM TAXES AND ASSESSMENTS, SUBJECT TO THE  
41 LIMITATIONS AND ELECTION REQUIREMENTS OF THIS CHAPTER, INCLUDING THE  
42 MAXIMUM AUTHORIZED TAX RATE.

43 4. MANAGE AND ADMINISTER THE AFFAIRS OF THE DISTRICT, INCLUDING  
44 OPERATING, MAINTAINING AND REPAIRING PUBLIC INFRASTRUCTURE THAT IS OWNED  
45 OR OPERATED BY THE DISTRICT.

- 1           5. ADOPT ANNUAL BUDGETS, STATEMENTS AND ESTIMATES FOR THE DISTRICT.  
2           6. ADMINISTER DISTRICT ELECTIONS OR ENTER INTO INTERGOVERNMENTAL  
3 AGREEMENTS WITH THE COUNTY, A MUNICIPALITY OR OTHER QUALIFIED PUBLIC  
4 ENTITIES TO ADMINISTER DISTRICT ELECTIONS.  
5           7. PERFORM ALL OTHER ACTS THAT ARE NECESSARY OR CONVENIENT TO CARRY  
6 OUT THE PURPOSES OF THIS CHAPTER.  
7           H. IF A VACANCY OCCURS ON THE BOARD BECAUSE OF A DEATH, A  
8 RESIGNATION OR AN INABILITY OF THE DIRECTOR TO DISCHARGE THE DUTIES OF  
9 DIRECTOR, THE VACANCY SHALL BE FILLED BY APPOINTMENT MADE BY THE REMAINING  
10 DIRECTORS WITHIN THIRTY DAYS OF A VACANCY. THE BOARD SHALL PROVIDE  
11 WRITTEN NOTICE TO THE AUTHORITY THAT THE VACANCY HAS BEEN FILLED BY  
12 APPOINTMENT WITHIN THIRTY DAYS OF THE APPOINTMENT OR, IF THE REMAINING  
13 DIRECTORS HAVE NOT FILLED THE VACANCY BY APPOINTMENT, WRITTEN NOTICE TO  
14 THE AUTHORITY THAT THE VACANCY HAS NOT BEEN FILLED BY APPOINTMENT WITHIN  
15 THIRTY DAYS OF THE VACANCY. A DIRECTOR APPOINTED BY THE REMAINING  
16 DIRECTORS SHALL HOLD OFFICE FOR THE REMAINDER OF THE UNEXPIRED TERM UNTIL  
17 THE DIRECTOR'S SUCCESSOR IS ELECTED AS PROVIDED BY ARTICLE 3 OF THIS  
18 CHAPTER. A DIRECTOR SHALL NOT BE AN ELECTED OFFICIAL OF A MUNICIPALITY IN  
19 WHICH THE DISTRICT IS LOCATED OR AN INDIAN TRIBE OR COMMUNITY OR AN  
20 EMPLOYEE OR AGENT OF A MUNICIPALITY OR INDIAN TRIBE OR COMMUNITY BUT MAY  
21 BE A DIRECTOR OF MORE THAN ONE DISTRICT.  
22           I. THE MEMBERS OF THE BOARD ARE NOT ELIGIBLE TO RECEIVE  
23 COMPENSATION FOR THEIR SERVICES AS MEMBERS OF THE BOARD.  
24           J. IF A VACANCY OCCURS ON THE BOARD BECAUSE OF DEATH, RESIGNATION  
25 OR INABILITY OF THE DIRECTOR TO DISCHARGE THE DUTIES OF DIRECTOR, AND  
26 THERE ARE NO OWNERS OF REAL PROPERTY WITHIN THE DISTRICT OR INDIVIDUALS  
27 DESIGNATED OR APPOINTED BY AN OWNER OF REAL PROPERTY WITHIN THE DISTRICT  
28 WHO ARE WILLING TO FILL SUCH VACANCY, THE AUTHORITY SHALL APPOINT A  
29 DIRECTOR TO FILL THE VACANCY. THE DIRECTOR APPOINTED BY THE AUTHORITY IS  
30 NOT REQUIRED TO BE A FEE-TITLE OWNER OF REAL PROPERTY WITHIN THE DISTRICT  
31 OR AN INDIVIDUAL DESIGNATED OR APPOINTED BY A FEE-TITLE OWNER OF REAL  
32 PROPERTY WITHIN THE DISTRICT. THE DIRECTOR APPOINTED BY THE AUTHORITY  
33 SHALL HOLD OFFICE FOR THE REMAINDER OF THE UNEXPIRED TERM AND UNTIL THE  
34 DIRECTOR'S SUCCESSOR IS ELECTED, UNLESS A FEE-TITLE OWNER OF REAL PROPERTY  
35 WITHIN THE DISTRICT SUBMITS A WRITTEN REQUEST TO THE AUTHORITY AND THE  
36 BOARD TO REPLACE THE DIRECTOR APPOINTED BY THE AUTHORITY. IN THAT EVENT,  
37 THE AUTHORITY SHALL, AS SOON AS PRACTICABLE, APPOINT THAT FEE-TITLE OWNER  
38 OF REAL PROPERTY WITHIN THE DISTRICT TO REPLACE THE DIRECTOR APPOINTED BY  
39 THE AUTHORITY.  
40           K. THE BOARD SHALL COMPLY WITH TITLE 38, CHAPTER 3, ARTICLE 3.1 AS  
41 A SEPARATE POLITICAL SUBDIVISION.  
42           48-7005. Records; open meetings  
43           A. A DISTRICT SHALL KEEP THE FOLLOWING RECORDS, WHICH SHALL BE  
44 MAINTAINED BY THE CLERK AND OPEN TO PUBLIC INSPECTION:  
45           1. MINUTES OF ALL BOARD MEETINGS.

- 1           2. ALL RESOLUTIONS.
- 2           3. ACCOUNTS SHOWING ALL MONIES RECEIVED AND DISBURSED.
- 3           4. THE ANNUAL BUDGET.
- 4           5. ALL OTHER RECORDS REQUIRED TO BE MAINTAINED BY LAW.
- 5           B. THE BOARD SHALL COMPLY WITH THE REQUIREMENTS OF TITLE 38,
- 6 CHAPTER 3, ARTICLE 3.1 AS A SEPARATE POLITICAL SUBDIVISION.
- 7           48-7006. District powers
- 8           A. IN ADDITION TO THE POWERS OTHERWISE GRANTED TO A DISTRICT
- 9 PURSUANT TO THIS CHAPTER, A DISTRICT, TO FURTHER IMPLEMENT THE GENERAL
- 10 PLAN, MAY:
  - 11           1. ENTER INTO CONTRACTS AND EXPEND MONIES FOR ANY PUBLIC
  - 12 INFRASTRUCTURE PURPOSE WITH RESPECT TO THE DISTRICT, INCLUDING IN
  - 13 CONNECTION WITH THE ACQUISITION, CONSTRUCTION OR INSTALLATION OF PUBLIC
  - 14 INFRASTRUCTURE, PROVIDED THAT A DISTRICT MAY NOT BE THE CONTRACTING PARTY
  - 15 ON ANY CONSTRUCTION CONTRACT FOR PUBLIC INFRASTRUCTURE AND THE DISTRICT'S
  - 16 ROLE WITH RESPECT TO THE CONSTRUCTION OF SUCH PUBLIC INFRASTRUCTURE SHALL
  - 17 BE LIMITED TO ACQUIRING OR REIMBURSING THE COSTS OF SUCH PUBLIC
  - 18 INFRASTRUCTURE.
  - 19           2. ENTER INTO INTERGOVERNMENTAL AGREEMENTS WITH THIS STATE, A
  - 20 COUNTY, A MUNICIPALITY OR ANY OTHER PUBLIC AGENCY THAT IS AUTHORIZED BY
  - 21 LAW TO ENTER INTO INTERGOVERNMENTAL AGREEMENTS FOR THE PLANNING, DESIGN,
  - 22 INSPECTION, OWNERSHIP, CONTROL, MAINTENANCE, OPERATION OR REPAIR OF PUBLIC
  - 23 INFRASTRUCTURE.
  - 24           3. ENTER INTO INTERGOVERNMENTAL AGREEMENTS WITH THE COUNTY, A
  - 25 MUNICIPALITY OR ANOTHER QUALIFIED PUBLIC ENTITY FOR THE ADMINISTRATION OF
  - 26 DISTRICT ELECTIONS, INCLUDING AGREEMENTS TO REIMBURSE THE PUBLIC ENTITY
  - 27 FOR THE REASONABLE COSTS OF DISTRICT ELECTIONS.
  - 28           4. SELL, LEASE OR OTHERWISE DISPOSE OF DISTRICT PROPERTY IF THE
  - 29 SALE, LEASE OR CONVEYANCE IS NOT A VIOLATION OF THE TERMS OF ANY CONTRACT,
  - 30 BOND RESOLUTION OR TRUST INDENTURE OF THE DISTRICT.
  - 31           5. OPERATE, MAINTAIN AND REPAIR PUBLIC INFRASTRUCTURE THAT IS OWNED
  - 32 OR OPERATED BY THE DISTRICT.
  - 33           6. ESTABLISH, CHARGE AND COLLECT USER FEES, RATES OR OTHER CHARGES
  - 34 FOR THE USE OF ANY SERVICE OR PUBLIC INFRASTRUCTURE OF THE DISTRICT OTHER
  - 35 THAN STREETS, ROADS OR HIGHWAYS.
  - 36           7. EMPLOY OR CONTRACT FOR STAFF, COUNSEL AND CONSULTANTS, INCLUDING
  - 37 ENGINEERS, ATTORNEYS, ACCOUNTANTS, FINANCIAL ADVISORS, UNDERWRITERS,
  - 38 ADMINISTRATORS AND ELECTION OFFICIALS, TO ASSIST WITH DISTRICT AND BOARD
  - 39 ADMINISTRATION, FINANCING AND ELECTION MATTERS.
  - 40           8. INCUR AND REPAY LOANS, ADVANCES OR OTHER OBLIGATIONS FOR ANY
  - 41 PUBLIC INFRASTRUCTURE PURPOSE, INCLUDING TO PROVIDE FOR THE PRESENT
  - 42 FINANCING OF COSTS TO BE REIMBURSED FROM FUTURE DISTRICT REVENUES OR
  - 43 REIMBURSEMENTS RELATED TO PUBLIC INFRASTRUCTURE.
  - 44           9. ENTER INTO AGREEMENTS WITH LANDOWNERS AND WITH A MUNICIPALITY OR
  - 45 COUNTY FOR THE COLLECTION OF FEES AND CHARGES FROM LANDOWNERS FOR PUBLIC

1 INFRASTRUCTURE PURPOSES, FOR THE ADVANCE OF MONIES BY LANDOWNERS FOR  
2 PUBLIC INFRASTRUCTURE PURPOSES OR FOR THE GRANTING OF REAL PROPERTY OR  
3 INTERESTS IN REAL PROPERTY BY A LANDOWNER FOR PUBLIC INFRASTRUCTURE  
4 PURPOSES, AND RECOGNIZE, ASSIGN, CONFIRM OR CONSENT TO THE ASSIGNMENT BY  
5 SUCH LANDOWNERS OF THEIR RIGHTS TO RECEIVE ANY REIMBURSEMENTS OR PAYMENTS  
6 FROM THE DISTRICT FOR PUBLIC INFRASTRUCTURE COSTS, INCLUDING TO OR IN  
7 FAVOR OF LENDERS, TRUSTEES OR OTHER FINANCING PARTIES.

8 10. BY RESOLUTION, LEVY AND ASSESS THE COSTS OF ANY PUBLIC  
9 INFRASTRUCTURE PURPOSE ON ANY LAND THAT IS BENEFITED IN THE DISTRICT,  
10 SUBJECT TO THE LIMITATIONS AND ELECTION REQUIREMENTS OF THIS CHAPTER,  
11 INCLUDING THE MAXIMUM AUTHORIZED TAX RATE.

12 11. PAY THE FINANCIAL, LEGAL AND ADMINISTRATIVE COSTS OF THE  
13 DISTRICT.

14 12. ENTER INTO CONTRACTS, AGREEMENTS AND TRUST INDENTURES TO OBTAIN  
15 CREDIT ENHANCEMENT OR LIQUIDITY SUPPORT FOR ITS BONDS AND TO PROVIDE FOR  
16 THE ISSUANCE, REGISTRATION, TRANSFER AND PAYMENT OF ITS BONDS AND FOR THE  
17 DISBURSEMENT AND INVESTMENT OF BOND PROCEEDS.

18 13. ENTER INTO AGREEMENTS WITH PERSONS OUTSIDE OF THE DISTRICT TO  
19 PROVIDE SERVICES TO PERSONS AND PROPERTY OUTSIDE OF THE DISTRICT AND TO  
20 RECEIVE COMPENSATION FOR THOSE SERVICES.

21 14. USE PUBLIC EASEMENTS AND RIGHTS-OF-WAY IN OR ACROSS PUBLIC  
22 PROPERTY, ROADWAYS, HIGHWAYS, STREETS OR OTHER THOROUGHFARES AND OTHER  
23 PUBLIC EASEMENTS AND RIGHTS-OF-WAY, WHETHER IN OR OUT OF THE GEOGRAPHICAL  
24 LIMITS OF THE DISTRICT, A MUNICIPALITY OR A COUNTY, SUBJECT TO APPLICABLE  
25 LAW, PERMITTING RESTRICTIONS AND THE RIGHTS OF THE PUBLIC.

26 B. IN CONNECTION WITH ANY POWER AUTHORIZED BY STATUTE, THE DISTRICT  
27 MAY:

28 1. CONTRACT.

29 2. ENTER INTO INTERGOVERNMENTAL AGREEMENTS PURSUANT TO TITLE 11,  
30 CHAPTER 7, ARTICLE 3.

31 3. ADOPT AND CHANGE A SEAL.

32 4. SUE AND BE SUED.

33 5. ENTER INTO DEVELOPMENT AGREEMENTS AS DEFINED IN SECTION  
34 9-500.05.

35 C. A DISTRICT IS NOT EMPOWERED TO EXERCISE LAND USE OR ZONING  
36 AUTHORITY AND MAY NOT ADOPT, AMEND OR ENFORCE ZONING ORDINANCES OR SIMILAR  
37 LAND USE REGULATIONS.

38 D. PUBLIC INFRASTRUCTURE OTHER THAN PERSONALTY MAY BE LOCATED ONLY  
39 IN OR ON LANDS OWNED BY THIS STATE, A COUNTY, A MUNICIPALITY OR THE  
40 DISTRICT OR DEDICATED OR OTHERWISE DESIGNATED AS PUBLIC ROADWAYS,  
41 HIGHWAYS, STREETS, THOROUGHFARES, EASEMENTS OR RIGHTS-OF-WAY, WHETHER IN  
42 OR OUT OF THE DISTRICT OR A MUNICIPALITY. PERSONALTY MAY BE USED ONLY FOR  
43 PURPOSES AUTHORIZED BY THE BOARD.

44 E. AN AGREEMENT PURSUANT TO SUBSECTION A, PARAGRAPH 9 OF THIS  
45 SECTION MAY INCLUDE AGREEMENTS TO REPAY ALL OR PART OF SUCH ADVANCES, FEES

1 AND CHARGES FROM THE PROCEEDS OF BONDS IF ISSUED OR FROM ADVANCES, FEES  
2 AND CHARGES COLLECTED FROM OTHER LANDOWNERS OR USERS OR THOSE HAVING A  
3 RIGHT TO USE ANY INFRASTRUCTURE. A PERSON DOES NOT HAVE AUTHORITY TO  
4 COMPEL THE ISSUANCE OR SALE OF THE BONDS OF THE DISTRICT OR THE EXERCISE  
5 OF ANY TAXING POWER OF THE DISTRICT TO MAKE REPAYMENT UNDER ANY AGREEMENT.

6 F. A CONSTRUCTION CONTRACT FOR PUBLIC INFRASTRUCTURE UNDER THIS  
7 CHAPTER IS A PRIVATE CONSTRUCTION CONTRACT BETWEEN AN OWNER AND THE  
8 CONTRACTOR FOR PURPOSES OF TITLE 32, CHAPTER 10, ARTICLE 5, AND ANY PERSON  
9 FURNISHING LABOR, PROFESSIONAL SERVICES, MATERIALS, MACHINERY, FIXTURES OR  
10 TOOLS FOR THAT PUBLIC INFRASTRUCTURE SHALL HAVE SUCH MECHANICS' AND  
11 MATERIALMEN'S LIEN RIGHTS THAT WOULD OTHERWISE APPLY TO THE CONSTRUCTION  
12 CONTRACT AND THE PUBLIC INFRASTRUCTURE SUBJECT THERETO UNDER TITLE 33,  
13 CHAPTER 7, ARTICLE 6, AND IS SUBJECT TO ALL REQUIREMENTS AND LIMITATIONS  
14 OF THAT ARTICLE.

15 G. A CONSTRUCTION CONTRACT FOR PUBLIC INFRASTRUCTURE UNDER THIS  
16 CHAPTER SHALL INCLUDE THE FOLLOWING PROVISIONS:

17 1. BEFORE COMMENCING CONSTRUCTION, THE OWNER SHALL PROVIDE A  
18 PAYMENT BOND, LETTER OF CREDIT, GUARANTY, PROOF OF FUNDS OR OTHER  
19 COMPARABLE FINANCIAL ASSURANCE THAT THE OWNER CAN PAY THE FULL CONTRACT  
20 PRICE AS OF THE DATE OF EXECUTION.

21 2. BEFORE COMMENCING ANY WORK THAT IS SUBJECT TO OWNER-APPROVED  
22 CHANGE ORDERS THAT INDIVIDUALLY OR COLLECTIVELY INCREASE THE AGGREGATE  
23 CONSTRUCTION CONTRACT PRICE BY MORE THAN TEN PERCENT, THE OWNER SHALL  
24 PROVIDE A PAYMENT BOND OR PAYMENT BOND RIDER, LETTER OF CREDIT, GUARANTY,  
25 PROOF OF FUNDS OR OTHER COMPARABLE FINANCIAL ASSURANCE THAT THE OWNER CAN  
26 PAY THE FULL AMOUNT OF THOSE CHANGE ORDERS AS OF THE DATE OF APPROVAL.

27 48-7007. District finances; revenue

28 THE PROJECTS TO BE CONSTRUCTED OR ACQUIRED AS SHOWN IN THE GENERAL  
29 PLAN MAY BE FINANCED FROM THE FOLLOWING SOURCES OF REVENUE:

- 30 1. PROCEEDS RECEIVED FROM THE SALE OF BONDS OF THE DISTRICT.
- 31 2. MONIES OF A MUNICIPALITY OR INDIAN TRIBE OR COMMUNITY THAT ARE  
32 CONTRIBUTED TO THE DISTRICT.
- 33 3. ASSESSMENTS.
- 34 4. AD VALOREM TAXES.
- 35 5. PRIVATE CONTRIBUTIONS.
- 36 6. USER, LANDOWNER AND OTHER FEES AND CHARGES.
- 37 7. PROCEEDS OF LOANS OR ADVANCES.
- 38 8. ANY OTHER MONIES AVAILABLE TO THE DISTRICT BY LAW.

39 48-7008. Project review by authority; hearing; notice; fees

40 A. BEFORE CONSTRUCTING OR ACQUIRING ANY PUBLIC INFRASTRUCTURE, THE  
41 BOARD SHALL CAUSE A STUDY OF THE FEASIBILITY AND BENEFITS OF THE PROJECT  
42 THAT SHALL BE PREPARED BY ENGINEERS AND OTHER QUALIFIED PERSONS AND THAT  
43 SHALL INCLUDE A DESCRIPTION OF THE PUBLIC INFRASTRUCTURE TO BE CONSTRUCTED  
44 OR ACQUIRED AND ALL OTHER INFORMATION USEFUL TO UNDERSTAND THE PROJECT, A  
45 MAP SHOWING, IN GENERAL, THE LOCATION OF THE PROJECT, AN ESTIMATE OF THE

1 COST TO CONSTRUCT, ACQUIRE, OPERATE AND MAINTAIN THE PROJECT, AN ESTIMATED  
2 SCHEDULE FOR COMPLETION OF THE PROJECT, A MAP OR DESCRIPTION OF THE AREA  
3 TO BE BENEFITED BY THE PROJECT AND THE FINANCING PLAN FOR THE PROJECT.  
4 WITHIN SIXTY DAYS AFTER RECEIVING THE REPORT, THE BOARD SHALL HOLD A  
5 PUBLIC HEARING ON THE REPORT AND PROVIDE NOTICE OF THE HEARING BY  
6 PUBLICATION NOT LESS THAN TEN DAYS IN ADVANCE IN THE OFFICIAL NEWSPAPER OF  
7 THE MUNICIPALITY IN WHICH THE DISTRICT IS LOCATED OR, IF NONE IN THE  
8 MUNICIPALITY OR IF THE DISTRICT IS LOCATED IN AN UNINCORPORATED AREA, A  
9 NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY AND BY MAIL TO THE  
10 GOVERNING BODY OF THE MUNICIPALITY. WITHIN SIXTY DAYS AFTER THE HEARING,  
11 THE BOARD MAY REJECT, AMEND OR APPROVE THE REPORT. IF THE REPORT IS  
12 AMENDED SUBSTANTIALLY, A NEW HEARING SHALL BE HELD WITHIN SIXTY DAYS AFTER  
13 THE DATE THE AMENDED REPORT IS RECEIVED AND BEFORE APPROVAL. IF THE  
14 REPORT IS APPROVED, THE BOARD SHALL ADOPT A RESOLUTION THAT IDENTIFIES THE  
15 PUBLIC INFRASTRUCTURE OF THE PROJECT, THE AREAS BENEFITED, THE EXPECTED  
16 METHOD OF FINANCING, INCLUDING THE NATURE AND TIMING OF THE ISSUANCE OF  
17 BONDS, IF ANY, AND AN APPROPRIATE SYSTEM OF PROVIDING REVENUES TO OPERATE  
18 AND MAINTAIN THE PROJECT, IF APPLICABLE. THE BOARD SHALL EXECUTE THE  
19 PROVISIONS OF THE REPORT WITHIN THE TIME FRAMES IDENTIFIED IN THE APPROVED  
20 REPORT.

21 B. BEFORE CONSTRUCTING OR ACQUIRING ANY PUBLIC INFRASTRUCTURE AND  
22 BEFORE THE BOARD HAS HELD THE PUBLIC HEARING PRESCRIBED IN SUBSECTION A OF  
23 THIS SECTION, THE BOARD SHALL CAUSE THE STUDY OF THE FEASIBILITY AND  
24 BENEFITS OF THE PROJECT PRESCRIBED IN SUBSECTION A OF THIS SECTION TO BE  
25 PROVIDED TO THE AUTHORITY. IN ADDITION TO THE STUDY OF THE FEASIBILITY AND  
26 BENEFITS OF THE PROJECT PRESCRIBED IN SUBSECTION A OF THIS SECTION, THE  
27 BOARD SHALL CAUSE THE FOLLOWING INFORMATION TO BE PROVIDED TO THE  
28 AUTHORITY:

29 1. THE PROPOSED MAXIMUM PRINCIPAL AMOUNT OF BONDS TO BE ISSUED, THE  
30 MAXIMUM INTEREST RATE AND A PRELIMINARY DEBT SERVICE SCHEDULE FOR THE  
31 BONDS.

32 2. IF THE PUBLIC INFRASTRUCTURE TO BE CONSTRUCTED OR ACQUIRED IS  
33 PROPOSED TO BE FINANCED WITH THE PROCEEDS OF GENERAL OBLIGATION BONDS, A  
34 REPORT INDICATING THE PROJECTED MARKET VALUE OF THE REAL PROPERTY AND  
35 IMPROVEMENTS IN THE DISTRICT AFTER THE PUBLIC INFRASTRUCTURE TO BE  
36 CONSTRUCTED OR ACQUIRED BY THE DISTRICT WITH THE PROCEEDS OF SUCH BONDS IS  
37 COMPLETED PLUS THE VALUE OF THE PUBLIC INFRASTRUCTURE OWNED BY THE  
38 DISTRICT AND TO BE CONSTRUCTED OR ACQUIRED BY THE DISTRICT WITH THE  
39 PROCEEDS OF SUCH BONDS.

40 3. IF THE PUBLIC INFRASTRUCTURE TO BE CONSTRUCTED OR ACQUIRED IS  
41 PROPOSED TO BE FINANCED WITH THE PROCEEDS OF GENERAL OBLIGATION BONDS, A  
42 THIRD-PARTY MARKET STUDY THAT INCLUDES PROJECTIONS OF THE LIMITED PROPERTY  
43 VALUE OF REAL PROPERTY IN THE DISTRICT FOR EACH YEAR IN WHICH GENERAL  
44 OBLIGATION BONDS ARE PROPOSED TO BE OUTSTANDING, TOGETHER WITH A  
45 PROJECTION OF THE AD VALOREM TAX RATE THAT IS REQUIRED TO SUPPORT DEBT

1 SERVICE ON THE GENERAL OBLIGATION BONDS AND THAT DOES NOT EXCEED THE  
2 MAXIMUM AUTHORIZED TAX RATE.

3 4. IF THE PUBLIC INFRASTRUCTURE TO BE CONSTRUCTED OR ACQUIRED IS  
4 PROPOSED TO BE FINANCED WITH THE PROCEEDS OF ASSESSMENT BONDS, AN  
5 APPRAISAL INDICATING THE AGGREGATE AS-IS MARKET VALUE OF REAL PROPERTY IN  
6 THE DISTRICT AND THE PROJECTED MARKET VALUE OF THE REAL PROPERTY AND  
7 IMPROVEMENTS IN THE DISTRICT AFTER COMPLETION OF THE PUBLIC INFRASTRUCTURE  
8 PROPOSED TO BE FINANCED WITH SUCH ASSESSMENT BONDS.

9 5. IF THE PUBLIC INFRASTRUCTURE TO BE CONSTRUCTED OR ACQUIRED IS  
10 PROPOSED TO BE FINANCED WITH THE PROCEEDS OF ASSESSMENT BONDS, THE MAXIMUM  
11 AGGREGATE ASSESSMENT AND THE MAXIMUM PER-LOT ASSESSMENT TO BE LEVIED IN  
12 CONNECTION WITH THE ASSESSMENT BONDS.

13 6. THE ANTICIPATED BUILD-OUT SCHEDULE AND ASSOCIATED VALUATION  
14 INCREASES.

15 7. THE CURRENTLY OUTSTANDING AGGREGATE PRINCIPAL AMOUNT OF ALL  
16 BONDS OF THE DISTRICT AND THE CURRENT AD VALOREM TAX RATE OF THE DISTRICT,  
17 IF ANY.

18 8. THE PROPOSED FINANCING TEAM, INCLUDING THE UNDERWRITER OR  
19 PLACEMENT AGENT AND THE DISTRICT'S BOND COUNSEL.

20 9. A CERTIFICATION AS TO THE REASONABLENESS OF ASSUMPTIONS THAT ARE  
21 USED IN THE MARKET VALUE AND GROWTH PROJECTIONS AND A CERTIFICATION THAT  
22 THE AD VALOREM TAX RATE LEVIED TO PAY THE DEBT SERVICE ON GENERAL  
23 OBLIGATION BONDS OF THE DISTRICT IN THE CURRENT AND IMMEDIATELY PRECEDING  
24 FISCAL YEAR IS NOT IN EXCESS OF THE MAXIMUM AUTHORIZED TAX RATE.

25 10. A CERTIFICATION THAT THE CONSTRUCTION OR ACQUISITION OF THE  
26 PUBLIC INFRASTRUCTURE, AS APPLICABLE, WILL NOT CONFLICT WITH ANY EXISTING  
27 AND APPLICABLE DEVELOPMENT AGREEMENT OR OTHER AGREEMENT WITH THE  
28 MUNICIPALITY OR THE COUNTY THAT RELATES TO THE LAND INCLUDED WITHIN THE  
29 BOUNDARIES OF THE DISTRICT THAT WAS SUBMITTED TO THE AUTHORITY IN  
30 CONNECTION WITH THE PETITION.

31 C. THE AUTHORITY SHALL REVIEW THE INFORMATION SUBMITTED PURSUANT TO  
32 SUBSECTION B OF THIS SECTION TO CONFIRM, SOLELY ON THE BASIS OF THE  
33 INFORMATION SUBMITTED AND WITHOUT ANY INDEPENDENT DETERMINATION OF  
34 FEASIBILITY OR VALUE, THAT ALL INFORMATION REQUIRED PURSUANT TO SUBSECTION  
35 B OF THIS SECTION HAS BEEN SUBMITTED AND THAT THE CONSTRUCTION OR  
36 ACQUISITION OF THE PUBLIC INFRASTRUCTURE, OR BOTH, AS APPLICABLE, COMPLIES  
37 WITH THE FORMATION ORDER AND THE GENERAL PLAN AND DOES NOT OTHERWISE  
38 VIOLATE THE PROVISIONS OF THIS CHAPTER.

39 D. THE AUTHORITY SHALL PROVIDE WRITTEN NOTICE TO THE DISTRICT  
40 WITHIN THIRTY DAYS AFTER RECEIVING THE INFORMATION SUBMITTED PURSUANT TO  
41 SUBSECTION B OF THIS SECTION IF THE SUBMITTED INFORMATION IS INCOMPLETE OR  
42 HAS NOT BEEN SUBMITTED OR IF THE SUBMITTED INFORMATION INDICATES THAT THE  
43 CONSTRUCTION OR ACQUISITION OF THE PUBLIC INFRASTRUCTURE DOES NOT COMPLY  
44 WITH THE FORMATION ORDER OR THE GENERAL PLAN OR DOES NOT OTHERWISE COMPLY  
45 WITH THE PROVISIONS OF THIS CHAPTER. THE WRITTEN NOTICE SHALL IDENTIFY

1 ANY DEFICIENCIES. THE BOARD MAY NOT HOLD THE PUBLIC HEARING DESCRIBED IN  
2 SUBSECTION A OF THIS SECTION UNTIL THIRTY DAYS HAS ELAPSED SINCE THE  
3 SUBMISSION OF THE INFORMATION SUBMITTED PURSUANT TO SUBSECTION B OF THIS  
4 SECTION AND THE DISTRICT HAS NOT RECEIVED FROM THE AUTHORITY THE NOTICE  
5 PRESCRIBED IN THIS SUBSECTION.

6 E. FEES AND OTHER CHARGES THAT ARE ASSESSED BY THE AUTHORITY IN  
7 CONNECTION WITH THE REVIEW OF THE INFORMATION SUBMITTED PURSUANT TO  
8 SUBSECTION B OF THIS SECTION SHALL NOT EXCEED \$30,000 FOR EACH SUBMISSION.  
9 ANY SUCH FEES SHALL BE IN ADDITION TO THE FEES AND OTHER CHARGES THAT ARE  
10 ASSESSED BY THE AUTHORITY IN CONNECTION WITH THE SUBMISSION AND  
11 CONSIDERATION OF AN APPLICATION AND PETITION TO FORM A DISTRICT PURSUANT  
12 TO SECTION 48-7003, SUBSECTION J.

13 ARTICLE 2. FINANCIAL PROVISIONS

14 48-7021. General obligation bonds debt limitations: maximum  
15 authorized tax rate

16 A. THE TOTAL AGGREGATE OUTSTANDING AMOUNT OF GENERAL OBLIGATION  
17 BONDS AND ANY OTHER INDEBTEDNESS FOR WHICH THE AD VALOREM TAXES OF THE  
18 DISTRICT ARE PLEDGED SHALL NOT EXCEED SIXTY PERCENT OF THE AGGREGATE OF  
19 THE PROJECTED MARKET VALUE OF THE REAL PROPERTY AND IMPROVEMENTS IN THE  
20 DISTRICT AFTER THE PUBLIC INFRASTRUCTURE TO BE CONSTRUCTED OR ACQUIRED BY  
21 THE DISTRICT WITH THE PROCEEDS OF SUCH GENERAL OBLIGATION BONDS IS  
22 COMPLETED, PLUS THE VALUE OF THE PUBLIC INFRASTRUCTURE OWNED BY THE  
23 DISTRICT AND TO BE CONSTRUCTED OR ACQUIRED BY THE DISTRICT WITH THE  
24 PROCEEDS OF SUCH GENERAL OBLIGATION BONDS.

25 B. ANY AD VALOREM TAX LEVIED TO PAY THE DEBT SERVICE ON ALL GENERAL  
26 OBLIGATION BONDS OF THE DISTRICT SHALL NOT BE LEVIED AT A RATE THAT  
27 EXCEEDS THE MAXIMUM AUTHORIZED TAX RATE OF \$5 PER \$100 OF NET ASSESSED  
28 LIMITED PROPERTY VALUATION OF PROPERTY WITHIN THE BOUNDARIES OF THE  
29 DISTRICT. THE MAXIMUM AUTHORIZED TAX RATE SHALL BE INDICATED IN THE  
30 PETITION AND THE FORMATION ORDER AND SHALL BE APPROVED AT AN ELECTION HELD  
31 PURSUANT TO SECTION 48-7041. THE MAXIMUM AUTHORIZED TAX RATE IS THE  
32 MAXIMUM TAX RATE THAT MAY BE USED TO PRICE AND SIZE ANY ISSUE OF GENERAL  
33 OBLIGATION BONDS OF THE DISTRICT AND THE BOARD MAY NOT ASSUME AN ANNUAL  
34 GROWTH RATE FOR LIMITED PROPERTY VALUE IN EXCESS OF FIVE PERCENT. IF, IN  
35 ANY FISCAL YEAR, APPLICATION OF THE MAXIMUM AUTHORIZED TAX RATE TO THE NET  
36 ASSESSED LIMITED PROPERTY VALUATION OF REAL AND PERSONAL PROPERTY IN THE  
37 DISTRICT, TOGETHER WITH ANY MONIES FROM THE SOURCES DESCRIBED IN SECTION  
38 48-7007, IS INSUFFICIENT TO PAY DEBT SERVICE ON THE BONDS IN THE FISCAL  
39 YEAR, THE DISTRICT SHALL LEVY SUCH ADDITIONAL AD VALOREM TAXES AS ARE  
40 NECESSARY TO PAY SUCH DEBT SERVICE WHEN DUE, EXCEPT THAT THE LEVY OF SUCH  
41 ADDITIONAL AD VALOREM TAXES SHALL NOT EXCEED A RATE OF \$7.50 PER \$100 OF  
42 NET ASSESSED LIMITED PROPERTY VALUATION OF PROPERTY WITHIN THE BOUNDARIES  
43 OF THE DISTRICT. THE AUTHORITY SHALL NOT OTHERWISE RESTRICT THE MAXIMUM  
44 AUTHORIZED TAX RATE, THE MAXIMUM ASSESSMENT ASSESSED BY A DISTRICT OR THE

1 MAXIMUM AGGREGATE AMOUNT OF BONDS ISSUED BY A DISTRICT EXCEPT AS EXPRESSLY  
2 PROVIDED IN THIS CHAPTER.

3 48-7022. General obligation bonds; tax levy; security

4 A. AT ANY TIME AFTER THE FORMATION OF A DISTRICT, THE BOARD MAY  
5 FROM TIME TO TIME ORDER AND CALL A GENERAL OBLIGATION BOND ELECTION TO  
6 SUBMIT TO THE QUALIFIED ELECTORS OF THE DISTRICT OR TO THOSE PERSONS WHO  
7 ARE QUALIFIED TO VOTE PURSUANT TO SECTION 48-7041 THE QUESTION OF  
8 AUTHORIZING THE BOARD TO ISSUE GENERAL OBLIGATION BONDS OF THE DISTRICT TO  
9 PROVIDE MONIES FOR ANY PUBLIC INFRASTRUCTURE PURPOSES CONSISTENT WITH THE  
10 GENERAL PLAN AND THE QUESTION OF AUTHORIZING AN AD VALOREM TAX TO BE  
11 LEVIED.

12 B. IF GENERAL OBLIGATION BONDS ARE APPROVED AT AN ELECTION, THE  
13 BOARD MAY ISSUE AND SELL GENERAL OBLIGATION BONDS OF THE DISTRICT, THE  
14 TERM OF WHICH MAY NOT EXCEED THIRTY YEARS, SUBJECT TO THE LIMITATION THAT  
15 ANY AD VALOREM TAX LEVIED TO PAY THE DEBT SERVICE ON THE GENERAL  
16 OBLIGATION BONDS SHALL NOT BE LEVIED AT A RATE THAT EXCEEDS THE MAXIMUM  
17 AUTHORIZED TAX RATE, EXCEPT AS PRESCRIBED IN SECTION 48-7021, SUBSECTION  
18 B.

19 C. THE DISTRICT MAY ISSUE AND SELL REFUNDING BONDS TO REFUND ANY  
20 GENERAL OBLIGATION BONDS OF THE DISTRICT, THE TERM OF WHICH MAY NOT EXCEED  
21 THIRTY YEARS. IF GENERAL OBLIGATION BONDS ARE ISSUED TO REFUND ANY  
22 GENERAL OBLIGATION BONDS OF THE DISTRICT, AN ELECTION ON THE ISSUANCE OF  
23 SUCH REFUNDING BONDS IS NOT REQUIRED, BUT ANY AD VALOREM TAX LEVIED TO PAY  
24 THE DEBT SERVICE ON SUCH REFUNDING BONDS SHALL NOT BE LEVIED AT A RATE  
25 THAT EXCEEDS THE MAXIMUM AUTHORIZED TAX RATE, EXCEPT AS PRESCRIBED IN  
26 SECTION 48-7021, SUBSECTION B.

27 D. AFTER THE BONDS ARE ISSUED, THE BOARD SHALL ENTER IN ITS MINUTES  
28 A RECORD OF THE BONDS SOLD AND THEIR NUMBERS AND DATES AND SHALL ANNUALLY  
29 LEVY AND CAUSE AN AD VALOREM TAX TO BE COLLECTED, AT THE SAME TIME AND IN  
30 THE SAME MANNER AS OTHER TAXES ARE LEVIED AND COLLECTED ON ALL TAXABLE  
31 PROPERTY IN THE DISTRICT, SUFFICIENT, TOGETHER WITH ANY MONIES FROM THE  
32 SOURCES DESCRIBED IN SECTION 48-7007, TO PAY DEBT SERVICE ON THE BONDS  
33 WHEN DUE. THE ANNUAL LEVY SHALL NOT EXCEED THE NET AMOUNT NECESSARY TO  
34 MEET ANNUAL PAYMENTS OF PRINCIPAL AND INTEREST, PROJECTED PAYMENTS OF  
35 PRINCIPAL AND INTEREST ON NEW DEBT PLANNED FOR THE ENSUING YEAR,  
36 A REASONABLE DELINQUENCY FACTOR, INCLUDING AN AMOUNT NECESSARY TO CORRECT  
37 PRIOR YEAR ERRORS OR SHORTAGES IN THE LEVY, IF APPLICABLE, AND ANY  
38 EXPENSES AND FEES REQUIRED IN CONJUNCTION WITH THE AUTHORIZATION PURSUANT  
39 TO SECTION 35-512. THE ANNUAL AD VALOREM TAX RATE LEVIED PURSUANT TO THIS  
40 SUBSECTION SHALL NOT EXCEED THE MAXIMUM AUTHORIZED TAX RATE, EXCEPT AS  
41 PRESCRIBED IN SECTION 48-7021, SUBSECTION B. THE LEVY SHALL BE THE NET OF  
42 ALL CASH IN EXCESS OF TEN PERCENT OF THE ANNUAL PAYMENTS OF PRINCIPAL AND  
43 INTEREST IN THE CURRENT FISCAL YEAR FROM THE PREVIOUS YEAR THAT REMAIN IN  
44 THE FUND OR FUNDS PRESCRIBED BY SUBSECTION E OF THIS SECTION.

1 E. MONIES DERIVED FROM THE LEVY OF THE TAX PROVIDED IN THIS SECTION  
2 WHEN COLLECTED CONSTITUTE FUNDS TO PAY THE DEBT SERVICE ON THE BONDS AND  
3 SHALL BE KEPT SEPARATELY FROM OTHER FUNDS OF THE DISTRICT. AMOUNTS LEVIED  
4 FOR DEBT SERVICE ON BONDS PAYABLE FROM THE SECONDARY TAX ARE AND SHALL BE  
5 CONSIDERED SPECIAL REVENUES OF THE DISTRICT, SHALL BE KEPT IN A SPECIAL,  
6 SEGREGATED FUND, ARE NOT AND SHALL NOT BE GENERAL PROPERTY TAXES AND MAY  
7 NOT BE USED FOR ANY OTHER PURPOSE OF THE DISTRICT.

8 F. ALL GENERAL OBLIGATION BONDS, HERETOFORE AND HEREAFTER ISSUED,  
9 ARE SECURED BY A LIEN ON ALL REVENUES RECEIVED PURSUANT TO THE AD VALOREM  
10 TAX LEVY. THE LIEN ARISES AUTOMATICALLY WITHOUT THE NEED FOR ANY ACTION  
11 OR AUTHORIZATION BY THE DISTRICT OR THE BOARD. THE LIEN IS VALID AND  
12 BINDING FROM THE TIME OF THE ISSUANCE OF THE GENERAL OBLIGATION BONDS.  
13 THE REVENUES RECEIVED PURSUANT TO THE LEVY OF THE AD VALOREM TAX ARE  
14 IMMEDIATELY SUBJECT TO THE LIEN. THE LIEN ATTACHES IMMEDIATELY TO THE  
15 REVENUES AND IS EFFECTIVE, BINDING AND ENFORCEABLE AGAINST THE DISTRICT,  
16 THE DISTRICT'S SUCCESSORS, TRANSFEREES AND CREDITORS AND ALL OTHER PARTIES  
17 ASSERTING RIGHTS IN THE REVENUES, IRRESPECTIVE OF WHETHER THE PARTIES HAVE  
18 NOTICE OF THE LIEN, WITHOUT THE NEED FOR ANY PHYSICAL DELIVERY,  
19 RECORDATION, FILING OR FURTHER ACT.

20 48-7023. Assessments; assessment lien bonds; judicial review

21 A. AFTER APPROVAL OF THE ASSESSMENT AT AN ELECTION HELD AS  
22 PRESCRIBED BY SECTION 48-7041, AND PURSUANT TO THE PROCEDURES PRESCRIBED  
23 BY SECTIONS 48-576 THROUGH 48-589, AS NEARLY AS PRACTICABLE, OR SUCH OTHER  
24 PROCEDURES AS THE BOARD PROVIDES, THE BOARD MAY LEVY BY RESOLUTION AN  
25 ASSESSMENT OF THE COSTS OF ANY PUBLIC INFRASTRUCTURE PURPOSE OR ANY  
26 OPERATION AND MAINTENANCE OF PUBLIC INFRASTRUCTURE ON ANY LAND IN THE  
27 DISTRICT THAT IS BASED ON THE BENEFIT DETERMINED BY THE BOARD TO BE  
28 RECEIVED BY THE LAND. BEFORE THE ISSUANCE OF ASSESSMENT BONDS, THE  
29 DISTRICT MAY ENTER INTO A WRITTEN AGREEMENT WITH A LANDOWNER AS TO THE  
30 MANNER IN WHICH THE ASSESSMENT IS TO BE ALLOCATED IF THE LAND IS TO BE  
31 DIVIDED INTO MORE THAN ONE PARCEL. IF AN ISSUE OF ASSESSMENT BONDS  
32 FINANCES MORE THAN ONE PURPOSE OR SERVICE, THE BENEFIT RECEIVED BY THE  
33 LAND, IN THE DISCRETION OF THE DISTRICT, MAY BE DETERMINED BY REFERENCE TO  
34 THE PURPOSES AND SERVICES AS A WHOLE OR INDIVIDUALLY. THE ASSESSMENT MAY  
35 BE BASED ON ESTIMATED COSTS AND AMENDED TO REFLECT ACTUAL COSTS, AND THE  
36 PREPARATION OF PLANS AND SPECIFICATIONS AND THE AWARDED OF THE CONTRACT  
37 ARE NOT A PREREQUISITE TO THE LEVYING OF THE ASSESSMENT. AN OWNER OF LAND  
38 ON WHICH AN ASSESSMENT HAS BEEN LEVIED MAY SEEK JUDICIAL REVIEW OF WHETHER  
39 THE LAND IS BENEFITED BY THE PROPOSED PUBLIC INFRASTRUCTURE, ON THE  
40 MERITS, BY SPECIAL ACTION FILED WITH THE COURT OF APPEALS, WITHIN THIRTY  
41 DAYS AFTER THE EFFECTIVE DATE OF THE RESOLUTION.

42 B. AFTER ADOPTION BY THE BOARD OF A RESOLUTION LEVYING AN  
43 ASSESSMENT ON PROPERTY IN THE DISTRICT, THE BOARD MAY ISSUE AND SELL  
44 ASSESSMENT BONDS, THE TERM OF WHICH MAY NOT EXCEED THIRTY YEARS, PAYABLE  
45 FROM AMOUNTS COLLECTED FROM THE ASSESSMENTS, FROM AMOUNTS AVAILABLE FROM

1 TIME TO TIME IN ANY RESERVE FUND ESTABLISHED FOR THOSE BONDS AND FROM ANY  
2 OTHER AMOUNTS AVAILABLE FOR THOSE PURPOSES AS PRESCRIBED BY SECTION  
3 48-7007. THE DISTRICT AND THE COUNTY TREASURER FOR THE COUNTY IN WHICH  
4 THE DISTRICT IS LOCATED MAY ENTER INTO AN AGREEMENT FOR THE COUNTY  
5 TREASURER TO COLLECT THE DISTRICT'S ASSESSMENTS IN THE MANNER AND BY THE  
6 OFFICERS PROVIDED BY LAW FOR THE COLLECTION AND ENFORCEMENT OF GENERAL  
7 TAXES. THE DISTRICT AND THE COUNTY TREASURER MAY PROVIDE BY AGREEMENT FOR  
8 THE PAYMENT OF THE COUNTY TREASURER'S COLLECTION EXPENSES DIRECTLY RELATED  
9 TO THE LEVY OF THE ASSESSMENT AND, IF SO PROVIDED, THE LEVY OF THE  
10 ASSESSMENT MAY INCLUDE AN AMOUNT FOR COMPENSATION OF THE COUNTY TREASURER  
11 DIRECTLY RELATED TO THE COLLECTION OF THE ASSESSMENT. THE COMPENSATION  
12 RECEIVED BY THE COUNTY TREASURER PURSUANT TO THE AGREEMENT SHALL BE  
13 GOVERNED BY SECTION 11-496. THE BOARD MAY ALSO ISSUE AND SELL BOND  
14 ANTICIPATION NOTES PURSUANT TO THE PROCEDURES PRESCRIBED IN SECTION  
15 48-2081 OR WITH PROCEDURES AS SIMILAR TO THOSE AS IS PRACTICABLE. THE  
16 ASSESSMENT SHALL BE A FIRST LIEN ON THE PROPERTY ASSESSED SUBJECT ONLY TO  
17 GENERAL PROPERTY TAXES AND PRIOR ASSESSMENTS. IN THE EVENT OF NONPAYMENT  
18 OF AN ASSESSMENT AND EXCEPT AS OTHERWISE PROVIDED IN AN AGREEMENT BETWEEN  
19 THE DISTRICT AND THE COUNTY TREASURER PURSUANT TO THIS SECTION, THE  
20 PROCEDURES FOR COLLECTION OF DELINQUENT ASSESSMENTS, SALE OF DELINQUENT  
21 PROPERTY AND ISSUANCE AND EFFECT OF THE DEED PRESCRIBED BY SECTIONS 48-601  
22 THROUGH 48-607 APPLY, AS NEARLY AS PRACTICABLE, EXCEPT THAT THE DISTRICT,  
23 A MUNICIPALITY, A COUNTY OR THE STATE IS NOT REQUIRED TO PURCHASE THE  
24 DELINQUENT LAND AT THE SALE IF THERE IS NO OTHER PURCHASER. IF THE  
25 LANDOWNER OWNS MORE THAN ONE PARCEL IN THE DISTRICT, THE BOARD MAY PROVIDE  
26 PROCEDURES FOR THE COLLECTION AND ENFORCEMENT OF ASSESSMENTS AS THE BOARD  
27 DEEMS APPROPRIATE BY CONTRACT WITH A LANDOWNER TO ALLOW THE SALE OF ANY OR  
28 ALL OF THE LANDOWNER'S PARCELS IN THE DISTRICT IF THE LANDOWNER BECOMES  
29 DELINQUENT AS TO ANY PARCEL THAT THE LANDOWNER OWNS IN THE DISTRICT.

30 C. ON ADOPTION OF THE RESOLUTION, BUT BEFORE ISSUANCE OF THE  
31 ASSESSMENT BONDS, THE DISTRICT MAY DIRECT THE TREASURER TO MAKE DEMAND ON  
32 THE OWNERS OF THE PROPERTY SO ASSESSED, AS SHOWN ON THE PROPERTY TAX ROLL,  
33 FOR ADVANCE PAYMENT OF THE AMOUNT ASSESSED. THE DEMAND SHALL STATE A DATE  
34 NOT LESS THAN TWENTY DAYS AFTER THE DATE OF ADOPTION OF THE RESOLUTION  
35 AFTER WHICH THE TREASURER MAY REFUSE TO ACCEPT ADVANCE PAYMENTS OF THE  
36 ASSESSMENT. THE TREASURER SHALL CERTIFY TO THE CLERK ON OR AFTER THE DATE  
37 SPECIFIED IN THE DEMAND THE AMOUNT COLLECTED AND THE ASSESSMENTS REMAINING  
38 UNPAID AGAINST EACH PARCEL OF LAND ASSESSED. ASSESSMENT BONDS MAY NOT BE  
39 ISSUED IN AN AMOUNT IN EXCESS OF THE AMOUNT ASSESSED IN THE RESOLUTION OR,  
40 IF ADVANCE PAYMENTS ARE DEMANDED, THE AMOUNT CERTIFIED TO THE CLERK. THE  
41 DISTRICT MAY ADOPT PROCEDURES FOR PREPAYMENT AND PROVISIONS FOR PAYMENT  
42 AND REALLOCATION OF ASSESSMENTS.

43 D. THE DISTRICT MAY ISSUE AND SELL REFUNDING BONDS TO REFUND ANY  
44 ASSESSMENT BONDS OF THE DISTRICT, THE TERM OF WHICH MAY NOT EXCEED THIRTY  
45 YEARS.

1           48-7024. Revenue bonds

2           A. AT ANY TIME AFTER THE HEARING ON FORMATION OF THE DISTRICT, THE  
3 BOARD MAY HOLD A HEARING ON THE QUESTION OF AUTHORIZING THE BOARD TO ISSUE  
4 REVENUE BONDS OF THE DISTRICT TO PROVIDE MONIES FOR ANY INFRASTRUCTURE  
5 PURPOSES CONSISTENT WITH THE GENERAL PLAN.

6           B. IF REVENUE BONDS ARE APPROVED BY RESOLUTION, THE BOARD MAY ISSUE  
7 AND SELL REVENUE BONDS OF THE DISTRICT, THE TERM OF WHICH MAY NOT EXCEED  
8 THIRTY YEARS.

9           C. THE BOARD MAY PLEDGE TO THE PAYMENT OF ITS REVENUE BONDS ANY  
10 REVENUES OF THE DISTRICT OR REVENUES TO BE COLLECTED BY A MUNICIPALITY OR  
11 A COUNTY IN TRUST FOR THE DISTRICT AND RETURNED TO THE DISTRICT.

12           D. THE DISTRICT SHALL PRESCRIBE FEES AND CHARGES, AND SHALL REVISE  
13 THEM WHEN NECESSARY, TO GENERATE REVENUE SUFFICIENT, TOGETHER WITH ANY  
14 MONIES FROM THE SOURCES DESCRIBED IN SECTION 48-7007, TO PAY WHEN DUE THE  
15 PRINCIPAL AND INTEREST OF ALL REVENUE BONDS FOR THE PAYMENT OF WHICH  
16 REVENUE HAS BEEN PLEDGED. THE ESTABLISHMENT OR REVISION OF ANY RATES,  
17 FEES AND CHARGES SHALL BE IDENTIFIED AND NOTICED CONCURRENTLY WITH THE  
18 ANNUAL BUDGET PROCESS OF THE DISTRICT PURSUANT TO SECTION 48-7027.

19           E. IF, IN THE RESOLUTION OF THE BOARD, THE REVENUES TO BE PLEDGED  
20 ARE LIMITED TO CERTAIN TYPES OF REVENUES, ONLY THOSE TYPES OF REVENUES MAY  
21 BE PLEDGED AND ONLY THOSE REVENUES MUST BE MAINTAINED.

22           F. A HOLDER OF REVENUE BONDS ISSUED UNDER THIS CHAPTER MAY NOT  
23 COMPEL ANY EXERCISE OF THE TAXING POWER OF THE DISTRICT, A MUNICIPALITY,  
24 THE COUNTY OR THIS STATE TO PAY THE BONDS OR THE INTEREST ON THE BONDS.  
25 REVENUE BONDS ISSUED UNDER THIS CHAPTER ARE NOT A DEBT OF THE DISTRICT, A  
26 MUNICIPALITY, THE COUNTY OR THIS STATE, NOR IS THE PAYMENT OF REVENUE  
27 BONDS ENFORCEABLE OUT OF ANY MONIES OTHER THAN THE REVENUE PLEDGED TO THE  
28 PAYMENT OF THE BONDS.

29           G. THE DISTRICT MAY ISSUE AND SELL REFUNDING BONDS TO REFUND ANY  
30 REVENUE BONDS OF THE DISTRICT, THE TERM OF WHICH MAY NOT EXCEED THIRTY  
31 YEARS.

32           48-7025. Terms of bonds

33           A. WITH RESPECT TO ANY BONDS, THE BOARD SHALL PRESCRIBE THE  
34 DENOMINATIONS OF THE BONDS, THE SIZE OF EACH ISSUE AND THE FORM OF THE  
35 BONDS AND SHALL ESTABLISH THE MATURITIES, INTEREST PAYMENT DATES AND  
36 INTEREST RATES, WHETHER FIXED OR VARIABLE, NOT EXCEEDING THE MAXIMUM RATE  
37 STATED IN THE NOTICE OF THE ELECTION OR THE RESOLUTION OF THE  
38 BOARD, EXCEPT THAT THE BOARD SHALL NOT APPROVE AN ISSUANCE OF BONDS OTHER  
39 THAN REFUNDING BONDS IF THE AD VALOREM TAX RATE LEVIED TO PAY THE DEBT  
40 SERVICE ON GENERAL OBLIGATION BONDS OF THE DISTRICT IN THE CURRENT OR  
41 IMMEDIATELY PRECEDING FISCAL YEAR IS IN EXCESS OF THE MAXIMUM AUTHORIZED  
42 TAX RATE. THE BONDS MAY BE SOLD BY COMPETITIVE BID OR NEGOTIATED SALE FOR  
43 PUBLIC OR PRIVATE OFFERING AT, BELOW OR ABOVE PAR. IF THE BONDS ARE SOLD  
44 BELOW PAR, THE AGGREGATE AMOUNT OF DISCOUNT AND INTEREST TO BE PAID ON THE  
45 BONDS SHALL NOT EXCEED THE AMOUNT OF INTEREST THAT WOULD HAVE BEEN PAYABLE

1 ON THOSE BONDS PURSUANT TO THE MATURITY SCHEDULE PRESCRIBED BY THE BOARD  
2 AT THE MAXIMUM RATE SET OUT IN THE BOND RESOLUTION.

3 B. IF GENERAL OBLIGATION BONDS OF THE DISTRICT ARE SOLD ABOVE PAR,  
4 THE AMOUNT OF NET PREMIUM ASSOCIATED WITH A GENERAL OBLIGATION BOND ISSUE  
5 MAY BE USED ONLY FOR THE FOLLOWING PURPOSES:

6 1. TO PAY ANY OR ALL COSTS INCURRED IN ISSUING THE GENERAL  
7 OBLIGATION BONDS.

8 2. AS A DEPOSIT IN A DEBT SERVICE FUND AND USED ONLY TO PAY  
9 INTEREST ON THE ISSUE OF GENERAL OBLIGATION BONDS.

10 C. IF USED FOR ANY PURPOSE OTHER THAN AS PRESCRIBED IN SUBSECTION B  
11 OF THIS SECTION, AND IF THE DISTRICT HAS GENERAL OBLIGATION BOND VOTER  
12 AUTHORIZATION AND AVAILABLE CAPACITY UNDER ITS DEBT LIMITATIONS PRESCRIBED  
13 BY SECTION 48-7021, SUBSECTION A, THE AMOUNT OF NET PREMIUM USED FOR THAT  
14 PURPOSE SHALL REDUCE IN AN EQUAL AMOUNT BOTH THE AVAILABLE AGGREGATE  
15 INDEBTEDNESS CAPACITY OF THE DISTRICT PRESCRIBED IN SECTION 48-7021,  
16 SUBSECTION A AND THE PRINCIPAL AMOUNT AUTHORIZED AT THE GENERAL OBLIGATION  
17 BOND ELECTION FOR THE DISTRICT FROM WHICH THE ISSUE OF GENERAL OBLIGATION  
18 BONDS IS BEING SOLD. ANY NET PREMIUM THAT IS USED AS PRESCRIBED IN THIS  
19 SUBSECTION SHALL BE AMORTIZED FOR ALL DEBT LIMITATION PURPOSES ON A PRO  
20 RATA BASIS EACH YEAR BY MULTIPLYING THE NET PREMIUM USED BY A PERCENTAGE  
21 EQUAL TO THE PERCENTAGE OF THE TOTAL PRINCIPAL AMOUNT OF THE GENERAL  
22 OBLIGATION BOND ISSUE THAT MATURES IN THAT YEAR.

23 D. THE PROCEEDS OF THE SALES SHALL BE DEPOSITED WITH THE TREASURER,  
24 OR WITH A TRUSTEE OR AGENT DESIGNATED BY THE BOARD, TO THE CREDIT OF THE  
25 DISTRICT TO BE WITHDRAWN FOR THE PURPOSES PROVIDED BY THIS CHAPTER.  
26 PENDING THAT USE, THE PROCEEDS MAY BE INVESTED AS DETERMINED BY THE  
27 DISTRICT. THE BONDS MAY CONTAIN TERMS, CONDITIONS, COVENANTS AND  
28 AGREEMENTS AS THE BOARD DEEMS PROPER. THE BONDS MAY BE PAYABLE FROM ANY  
29 COMBINATION OF AD VALOREM TAXES, REVENUES OR ASSESSMENTS OF THE TYPES  
30 DESCRIBED IN THIS CHAPTER AND AS SPECIFIED IN THE BONDS IF ALL APPLICABLE  
31 REQUIREMENTS ARE MET.

32 48-7026. O/M taxes; election; annual financial estimate and  
33 budget; hearing

34 A. AT ANY TIME AFTER THE RECORDING OF A FORMATION ORDER, THE BOARD  
35 MAY CALL AN ELECTION TO SUBMIT TO THE PERSONS WHO ARE ELIGIBLE TO VOTE IN  
36 THE DISTRICT AS PRESCRIBED IN SECTION 48-7041 THE QUESTION OF AUTHORIZING  
37 THE BOARD TO LEVY AN O/M TAX ON THE NET ASSESSED LIMITED PROPERTY  
38 VALUATION OF PROPERTY IN THE DISTRICT AT A RATE OR RATES THAT DO NOT  
39 EXCEED THE MAXIMUM RATE OR RATES SPECIFIED IN THE BALLOT. THE MAXIMUM RATE  
40 SPECIFIED IN THE ORIGINAL BALLOT MUST BE APPROVED BY A MAJORITY OF THE  
41 PERSONS WHO ARE ELIGIBLE TO VOTE IN THE DISTRICT AS PRESCRIBED IN SECTION  
42 48-7041, VOTING IN A REGULAR OR SPECIAL ELECTION AT LEAST EVERY SEVEN  
43 YEARS AFTER THE DATE OF THE INITIAL IMPOSITION, IF AN ELECTION IS NOT  
44 REQUIRED TO LEVY AN O/M TAX AT THE RATE DETERMINED BY THE BOARD TO BE  
45 NECESSARY TO MAINTAIN THE DISTRICT'S FACILITIES AND IMPROVEMENTS AND

1 ENSURE REPAYMENT OF THE DISTRICT'S OUTSTANDING BONDS AND OBLIGATIONS. ALL  
2 O/M TAXES SHALL BE USED FOR THE OPERATION AND MAINTENANCE EXPENSES OF THE  
3 DISTRICT, INCLUDING LEGAL EXPENSES AND EXPENSES THAT ARE ASSOCIATED WITH  
4 INSURANCE COVERAGE, AND SHALL NOT EXCEED AN AMOUNT EQUAL TO \$.30 PER \$100  
5 OF ASSESSED VALUATION FOR ALL REAL AND PERSONAL PROPERTY IN THE DISTRICT.  
6 THE BOARD BY SIMPLE MAJORITY VOTE MAY REDUCE OR ELIMINATE ANY PORTION OF  
7 THE O/M TAX IMPOSED BY THE DISTRICT THAT THE BOARD DETERMINES IS NOT  
8 NECESSARY TO MAINTAIN THE DISTRICT'S FACILITIES AND IMPROVEMENTS. IF NO  
9 BONDS OR OBLIGATIONS REMAIN OUTSTANDING, A DISTRICT SHALL NOT LEVY AN O/M  
10 TAX IN ANY YEAR FOLLOWING COMPLETION OF ALL WORK TO BE PERFORMED UNDER THE  
11 DISTRICT'S GENERAL PLAN.

12 B. THE DISTRICT MAY NOT LEVY AN O/M TAX AT A RATE OR RATES IN  
13 EXCESS OF THE MAXIMUM RATE SPECIFIED IN THE FORMATION ORDER.

14 C. WHEN LEVYING AN O/M TAX, THE BOARD SHALL MAKE ANNUAL STATEMENTS  
15 AND ESTIMATES OF THE OPERATION AND MAINTENANCE EXPENSES OF THE DISTRICT  
16 AND THE AMOUNT OF ALL OTHER EXPENDITURES FOR PUBLIC INFRASTRUCTURE  
17 PROPOSED TO BE PAID FROM THE O/M TAX LEVY OR LEVIES, ALL OF WHICH SHALL BE  
18 PROVIDED FOR BY THE LEVY AND COLLECTION OF AD VALOREM TAXES ON THE  
19 ASSESSED VALUE OF ALL THE REAL AND PERSONAL PROPERTY IN THE DISTRICT. THE  
20 BOARD SHALL FILE THE ANNUAL STATEMENTS AND ESTIMATES WITH THE CLERK. THE  
21 BOARD SHALL PUBLISH A NOTICE OF THE FILING OF THE ESTIMATE, SHALL HOLD  
22 HEARINGS ON THE PORTIONS OF THE ESTIMATE NOT RELATING TO DEBT SERVICE ON  
23 BONDS AND SHALL ADOPT A BUDGET. THE BOARD, ON OR BEFORE THE DATE SET BY  
24 LAW FOR CERTIFYING THE ANNUAL BUDGET OF THE COUNTY OR MUNICIPALITY, SHALL  
25 FIX, LEVY AND ASSESS THE AMOUNTS TO BE RAISED BY O/M TAXES OF THE DISTRICT  
26 AND SHALL CAUSE CERTIFIED COPIES OF THE ORDER TO BE DELIVERED TO THE BOARD  
27 OF SUPERVISORS AND TO THE DEPARTMENT OF REVENUE. ALL STATUTES RELATING TO  
28 THE LEVY AND COLLECTION OF GENERAL COUNTY TAXES, INCLUDING THE COLLECTION  
29 OF DELINQUENT TAXES AND SALE OF PROPERTY FOR NONPAYMENT OF TAXES, APPLY TO  
30 THE DISTRICT TAXES PROVIDED FOR BY THIS SECTION.

31 48-7027. Budget: hearing

32 ON OR BEFORE JULY 15 EACH YEAR, THE TREASURER SHALL PREPARE A  
33 PROPOSED BUDGET FOR THE ENSUING FISCAL YEAR TO BE SUBMITTED TO THE BOARD  
34 FOR APPROVAL. THE BOARD SHALL INDICATE ITS APPROVAL OF THE BUDGET BY  
35 RESOLUTION, WHICH SHALL PROVIDE FOR A HEARING ON THE BUDGET AS APPROVED.  
36 THE PARTICIPATING ENTITIES MAY REVIEW THE PROPOSED ANNUAL BUDGET AND MAY  
37 SUBMIT WRITTEN COMMENTS TO THE BOARD FOR ITS ASSISTANCE AND INFORMATION IN  
38 ADOPTING ITS ANNUAL BUDGET. AT THE CONCLUSION OF THE BUDGET HEARING, THE  
39 BOARD, BY RESOLUTION, SHALL ADOPT THE BUDGET AS FINALLY APPROVED BY THE  
40 BOARD. THE BUDGET SHALL BE ADOPTED BEFORE OCTOBER 1 EACH YEAR.

41 48-7028. Display of district taxes and assessments on  
42 property tax bills

43 A. ANY AD VALOREM TAX THAT IS LEVIED BY A DISTRICT PURSUANT TO THIS  
44 CHAPTER SHALL BE SHOWN ON EACH PROPERTY TAX BILL AS A SEPARATE LINE ITEM  
45 THAT:

1           1. STATES THAT THE DISTRICT IS "STATE-CERTIFIED" TO INDICATE THAT  
2 ITS FORMATION WAS APPROVED BY THE AUTHORITY.  
3           2. IDENTIFIES THE NAME OF THE DISTRICT.  
4           B. ANY ASSESSMENT THAT IS LEVIED BY A DISTRICT PURSUANT TO THIS  
5 CHAPTER AND THAT IS COLLECTED BY THE COUNTY TREASURER SHALL BE SHOWN ON  
6 EACH PROPERTY TAX BILL AS A SEPARATE LINE ITEM THAT:  
7           1. STATES THAT THE DISTRICT IS "STATE-CERTIFIED" TO INDICATE THAT  
8 ITS FORMATION WAS APPROVED BY THE AUTHORITY.  
9           2. IDENTIFIES THE NAME OF THE DISTRICT.  
10                                   ARTICLE 3. OPERATIONS  
11           48-7041. Notice and conduct of elections; eligible voters  
12           A. ANY ELECTION UNDER THIS ARTICLE SHALL BE A NONPARTISAN ELECTION  
13 AND NOT A GENERAL ELECTION AND IS NOT SUBJECT TO THE REQUIREMENTS  
14 APPLICABLE TO ELECTIONS FOR GENERAL GOVERNMENTAL BODIES, INCLUDING  
15 ONE-PERSON-ONE-VOTE PRINCIPLES. AN ELECTION UNDER THIS ARTICLE SHALL BE  
16 CALLED BY POSTING NOTICES IN THREE PUBLIC PLACES WITHIN THE BOUNDARIES OF  
17 THE DISTRICT NOT LESS THAN TWENTY DAYS BEFORE THE ELECTION. ANY ELECTION  
18 MAY BE CONDUCTED AS A MAIL BALLOT ELECTION IN THE MANNER PRESCRIBED IN  
19 TITLE 16, CHAPTER 4, ARTICLE 8.1 AS NEARLY AS PRACTICABLE. IF THE  
20 ELECTION NOTICE IS NOT MAILED TO THE PROPERTY OWNERS AND, IF APPLICABLE,  
21 TO THE QUALIFIED ELECTORS, THE NOTICE SHALL ALSO BE PUBLISHED IN A  
22 NEWSPAPER OF GENERAL CIRCULATION IN THE MUNICIPALITY, OR IF THERE IS NO  
23 NEWSPAPER SO CIRCULATED IN THE MUNICIPALITY OR IF THE DISTRICT IS LOCATED  
24 IN AN UNINCORPORATED AREA, IN A NEWSPAPER OF GENERAL CIRCULATION IN THE  
25 COUNTY IN WHICH THE DISTRICT IS LOCATED ONCE A WEEK FOR TWO CONSECUTIVE  
26 WEEKS BEFORE THE ELECTION. THE NOTICE SHALL STATE:  
27           1. THE PLACE OF HOLDING THE ELECTION.  
28           2. THE HOURS DURING THE DAY, NOT LESS THAN SIX, IN WHICH THE POLLS  
29 WILL BE OPEN.  
30           3. IF IT IS A BOND ELECTION, THE AMOUNT OF BONDS TO BE AUTHORIZED  
31 FOR THE DISTRICT, THE MAXIMUM RATE OF INTEREST TO BE BORNE ON THE BONDS,  
32 THE MAXIMUM TERM OF THE BONDS, NOT EXCEEDING THIRTY YEARS, AND THE  
33 PURPOSES FOR WHICH THE MONIES RAISED WILL BE USED.  
34           4. IF IT IS AN AD VALOREM TAX LEVY ELECTION PURSUANT TO SECTION  
35 48-7022 OR 48-7023, THE MAXIMUM TAX RATE PER \$100 OF NET ASSESSED LIMITED  
36 PROPERTY VALUATION TO BE IMPOSED, THE PURPOSES FOR WHICH THE MONIES RAISED  
37 WILL BE USED AND THE EXISTING MAXIMUM AUTHORIZED TAX RATE.  
38           5. IF IT IS AN ASSESSMENT LEVY ELECTION PURSUANT TO SECTION  
39 48-7023, THE MAXIMUM ASSESSMENT RATE TO BE IMPOSED, THE PURPOSES FOR WHICH  
40 THE MONIES RAISED WILL BE USED AND THE EXISTING MAXIMUM ASSESSMENT RATE,  
41 IF ANY.  
42           6. THAT A GENERAL PLAN IS ON FILE WITH THE CLERK.  
43           B. THE BOARD SHALL DETERMINE THE DATE OF THE ELECTION AND, IF  
44 APPLICABLE, THE POLLING PLACES FOR THE ELECTION AND MAY CONSOLIDATE  
45 PRECINCTS. THE CLERK SHALL PREPARE A LIST OF ELIGIBLE VOTERS IN THE

1 ELECTION. A PROSPECTIVE LANDOWNER VOTER SHALL EXECUTE AN AFFIDAVIT STATING  
2 THAT THE VOTER IS THE OWNER OF LAND IN THE DISTRICT AND IS QUALIFIED TO  
3 VOTE PURSUANT TO THIS SECTION AND STATING THE PARCEL NUMBER OWNED BY THE  
4 VOTER. ELECTION BOARD MEMBERS MAY ADMINISTER OATHS OR TAKE ALL  
5 AFFIRMATIONS FOR THESE PURPOSES. AN ELECTION HELD PURSUANT TO THIS ARTICLE  
6 IS NOT SUBJECT TO TITLE 16, CHAPTER 2, ARTICLE 3.

7 C. ONLY THE OWNERS OF REAL PROPERTY IN THE DISTRICT AND THEIR  
8 DESIGNATED REPRESENTATIVES ARE ELIGIBLE TO VOTE IN AN ELECTION REGARDING  
9 AN AD VALOREM TAX LEVY ELECTION, AN ASSESSMENT ELECTION, AN O/M TAX  
10 ELECTION, AN ELECTION FOR THE BOARD OF DIRECTORS OF THE DISTRICT AND IN AN  
11 ELECTION FOR DISSOLUTION. VOTING ELIGIBILITY IS BASED ON OWNERSHIP OF REAL  
12 PROPERTY SUBJECT TO TAXATION OR ASSESSMENT BY THE DISTRICT. CORPORATIONS,  
13 PARTNERSHIPS AND OTHER BUSINESS ENTITIES ARE ELIGIBLE TO VOTE AS PROPERTY  
14 OWNERS, BUT ONLY ONE VOTE MAY BE CAST FOR EACH ONE-SEVENTH OF AN ACRE OF  
15 REAL PROPERTY IN THE DISTRICT, EXCEPT THAT ANY FRACTION OF OWNERSHIP OF  
16 REAL PROPERTY THAT IS LESS THAN ONE-SEVENTH OF AN ACRE ENTITLES THE OWNER  
17 TO CAST ONE VOTE. A MAJORITY OF THE ACREAGE AS REPRESENTED BY THE VOTES  
18 CAST AT AN ELECTION CONDUCTED SOLELY UNDER THE ACREAGE SYSTEM SHALL  
19 DETERMINE THE RESULT. AN ACREAGE SYSTEM ELECTION SHALL BE CONDUCTED  
20 PURSUANT TO THE PROCEDURES PRESCRIBED IN SECTIONS 48-3042 THROUGH 48-3051  
21 AS NEARLY AS PRACTICABLE. QUALIFIED ELECTORS ARE ELIGIBLE TO VOTE IN AN  
22 ELECTION REGARDING GENERAL OBLIGATION BONDS.

23 D. EXCEPT AS OTHERWISE PROVIDED BY THIS ARTICLE, THE ELECTION SHALL  
24 COMPLY WITH THE GENERAL ELECTION LAWS OF THIS STATE, EXCEPT THAT THE WORDS  
25 TO APPEAR ON THE BALLOTS SHALL BE FOR A BOND ELECTION "BONDS, YES" AND  
26 "BONDS, NO", FOR A TAX ELECTION IF NO TAX IS IN PLACE "TAX, YES" AND "TAX,  
27 NO", FOR AN ASSESSMENT LEVY ELECTION "ASSESSMENT, YES" AND "ASSESSMENT,  
28 NO" AND FOR A TAX ELECTION TO CHANGE AN EXISTING MAXIMUM OR ELIMINATE AN  
29 EXISTING TAX "TAX CHANGE, YES" AND "TAX CHANGE, NO". THE RETURNS OF  
30 ELECTION SHALL BE MADE TO THE BOARD.

31 E. WITHIN FOURTEEN DAYS AFTER AN ELECTION, THE BOARD SHALL MEET AND  
32 CANVASS THE RETURNS. IF THE MAJORITY OF ACREAGE AS REPRESENTED BY THE  
33 VOTES CAST AT THE ELECTION IS IN FAVOR OF IMPOSING THE TAX, THE BOARD  
34 SHALL ENTER THAT FACT ON ITS MINUTES. THE CANVASS MAY BE CONTINUED FROM  
35 TIME TO TIME. FAILURE OF A MAJORITY TO VOTE IN FAVOR OF THE MATTER  
36 SUBMITTED DOES NOT PREJUDICE THE SUBMISSION OF THE SAME OR SIMILAR MATTERS  
37 AT A LATER ELECTION. ANY CHALLENGE TO THE CONDUCT OR OUTCOME OF AN  
38 ELECTION HELD PURSUANT TO THIS CHAPTER MUST BE COMMENCED WITHIN THIRTY  
39 DAYS AFTER THE CANVASS OF THE ELECTION AND SHALL BE LIMITED TO WHETHER THE  
40 DISTRICT COMPLIED WITH THE PROCEDURAL REQUIREMENTS OF THIS CHAPTER.

41 F. IF A PERSON LISTED ON THE ASSESSMENT ROLL IS NO LONGER THE OWNER  
42 OF LAND IN THE DISTRICT AND THE NAME OF THE SUCCESSOR OWNER BECOMES KNOWN  
43 AND IS VERIFIED BY RECORDED DEED OR OTHER SIMILAR EVIDENCE OF TRANSFER OF  
44 OWNERSHIP, THE SUCCESSOR OWNER IS DEEMED TO BE THE OWNER FOR THE PURPOSES  
45 OF THIS ARTICLE.

1 G. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, IF NO  
2 PERSON HAS REGISTERED TO VOTE WITHIN THE DISTRICT WITHIN FIFTY DAYS  
3 IMMEDIATELY PRECEDING ANY SCHEDULED ELECTION DATE, ANY ELECTION REQUIRED  
4 TO BE HELD PURSUANT TO THIS ARTICLE SHALL BE HELD WITH THE VOTE BY THE  
5 OWNERS OF LAND WITHIN THE DISTRICT WHO ARE QUALIFIED ELECTORS OF THIS  
6 STATE AND OTHER LANDOWNERS ACCORDING TO SECTION 48-3043. EACH OWNER HAS  
7 THE NUMBER OF VOTES OR PORTION OF VOTES EQUAL TO THE NUMBER OF ACRES OR  
8 PORTION OF ACRES ROUNDED UPWARD TO THE NEAREST ONE-FIFTH OF AN ACRE OWNED  
9 IN THE DISTRICT BY THAT PERSON.

10 H. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, IF THE  
11 DISTRICT RECEIVES A CONSENT TO WAIVER SIGNED BY OWNERS OF ALL OF THE LAND  
12 IN THE DISTRICT, THE DISTRICT MAY WAIVE ANY OR ALL REQUIREMENTS OF  
13 POSTING, PUBLICATION, MAILING, NOTICE, HEARING AND LANDOWNER ELECTION  
14 OTHERWISE REQUIRED IN CONNECTION WITH ASSESSMENTS OR ASSESSMENT BONDS. ON  
15 RECEIPT OF SUCH CONSENT TO WAIVER, THE DISTRICT MAY LEVY THE ASSESSMENT  
16 AND ISSUE THE ASSESSMENT BONDS WITHOUT BEING REQUIRED TO COMPLY WITH THE  
17 PROVISIONS OF THIS ARTICLE FOR POSTING, PUBLICATION, MAILING, NOTICE,  
18 HEARING OR LANDOWNER ELECTION.

19 48-7042. Recording documents

20 THE DISTRICT SHALL FILE AND RECORD WITH THE COUNTY RECORDER THE  
21 FORMATION ORDER, THE GENERAL PLAN OF THE DISTRICT, THE CANVASS OF ANY  
22 GENERAL OBLIGATION BOND ELECTION AND ANY ASSESSMENTS LEVIED BY THE  
23 DISTRICT. COPIES OF ALL SUCH INFORMATION SHALL BE PROVIDED TO THE STATE  
24 REAL ESTATE DEPARTMENT.

25 48-7043. District website; required content; coordination  
26 with seller disclosures

27 A. THE BOARD SHALL ESTABLISH AND MAINTAIN AN OFFICIAL WEBSITE THAT  
28 IS ELECTRONICALLY SEARCHABLE BY THE PUBLIC AND THAT CONTAINS A  
29 COMPREHENSIVE DATABASE OF DISTRICT CONTRACTS, PUBLIC NOTICES, MEETING  
30 MINUTES, RESOLUTIONS AND ACCOUNTS SHOWING, ON AN AGGREGATE AND SUMMARY  
31 BASIS, ALL MONIES RECEIVED AND DISBURSED, THE ANNUAL BUDGET AND OTHER  
32 RECORDS REQUIRED TO BE MAINTAINED BY LAW. THE BOARD SHALL PROVIDE A LINK  
33 TO THE DATABASE ON THE DISTRICT'S MAIN WEBSITE MAINTAINED BY THE BOARD AND  
34 SHALL PROVIDE A LINK TO THAT DATABASE TO THE DEPARTMENT OF ADMINISTRATION.  
35 THE DATABASE MAY NOT INCLUDE:

36 1. TAX PAYMENT OR REFUND DATA THAT INCLUDES CONFIDENTIAL TAXPAYER  
37 INFORMATION.

38 2. WORK PRODUCT IN ANTICIPATION OF LITIGATION OR OTHER INFORMATION  
39 THAT IS SUBJECT TO ATTORNEY-CLIENT PRIVILEGE.

40 3. ANY OTHER INFORMATION THAT IS DESIGNATED BY LAW AS CONFIDENTIAL.

41 B. THE DISTRICT SHALL KEEP THE WEBSITE CURRENT AND SHALL POST, IN  
42 ADDITION TO THE INFORMATION DESCRIBED IN SUBSECTION A OF THIS SECTION, ALL  
43 OF THE FOLLOWING INFORMATION:

- 1           1. THE DISTRICT'S LEGAL NAME, COMMON NAME, IF ANY, STATUTORY  
2 AUTHORITY, FORMATION DATE AND THE BOUNDARIES OF THE DISTRICT, INCLUDING AT  
3 LEAST ONE MAP IN A DOWNLOADABLE FORMAT.
- 4           2. A COPY OF THE FORMATION ORDER AND THE GENERAL PLAN.
- 5           3. A STATEMENT THAT THE FORMATION OF THE DISTRICT WAS REVIEWED AND  
6 APPROVED BY THE AUTHORITY DESIGNATED PURSUANT TO THIS CHAPTER, AND THAT  
7 THE DISTRICT IS A SEPARATE POLITICAL SUBDIVISION FROM THE MUNICIPALITY AND  
8 THE COUNTY IN WHICH IT IS LOCATED AND THAT ANY AD VALOREM TAXES,  
9 ASSESSMENTS, FEES OR CHARGES IMPOSED BY THE DISTRICT ARE LEVIED BY THE  
10 DISTRICT AND ARE NOT TAXES, ASSESSMENTS, FEES OR CHARGES OF THE  
11 MUNICIPALITY OR THE COUNTY.
- 12           4. A PLAIN-LANGUAGE DESCRIPTION OF THE PURPOSE FOR WHICH THE  
13 DISTRICT WAS FORMED AND THE PUBLIC INFRASTRUCTURE THE DISTRICT IS  
14 AUTHORIZED TO FINANCE, IDENTIFYING WHICH CATEGORIES OF PUBLIC  
15 INFRASTRUCTURE ARE REQUIRED BY THE APPLICABLE MUNICIPALITY OR COUNTY AND  
16 WHICH CATEGORIES ARE NOT REQUIRED BUT HAVE BEEN ELECTED TO BE FINANCED BY  
17 THE DISTRICT.
- 18           5. THE CURRENT YEAR'S ADOPTED BUDGET FOR THE DISTRICT AND THE TWO  
19 MOST RECENT PRIOR YEARS' ADOPTED BUDGETS.
- 20           6. A SCHEDULE OF ALL AD VALOREM TAXES, ASSESSMENTS, FEES AND  
21 CHARGES IMPOSED BY THE DISTRICT FOR THE CURRENT FISCAL YEAR.
- 22           7. A DESCRIPTION OF ALL OUTSTANDING BONDS AND OTHER LONG-TERM  
23 OBLIGATIONS OF THE DISTRICT, INCLUDING THE ORIGINAL PRINCIPAL AMOUNT,  
24 CURRENT PRINCIPAL BALANCE, IF REASONABLY AVAILABLE, MAXIMUM AUTHORIZED  
25 PRINCIPAL, FINAL MATURITY DATE AND A GENERAL DESCRIPTION OF THE REVENUE  
26 SOURCES PLEDGED FOR REPAYMENT.
- 27           8. THE MAXIMUM AUTHORIZED TAX RATE, THE MAXIMUM AUTHORIZED  
28 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS, THE MAXIMUM  
29 AGGREGATE ASSESSMENT AMOUNT AND THE MAXIMUM O/M TAX RATE.
- 30           9. THE NAMES, OFFICIAL TITLES AND CONTACT INFORMATION FOR THE  
31 BOARD, THE CLERK AND THE TREASURER.
- 32           10. NOTICES OF ALL REGULAR AND SPECIAL MEETINGS OF THE BOARD,  
33 AGENDAS AND MINUTES, POSTED IN A TIMELY MANNER.
- 34           11. ANY ANNUAL REPORTS, AUDITS OR FINANCIAL REVIEWS REQUIRED TO BE  
35 FILED WITH A COUNTY, THIS STATE OR ANY OTHER PUBLIC BODY AND ANY  
36 ADDITIONAL REPORTS THE DISTRICT ELECTS TO PROVIDE FOR PUBLIC TRANSPARENCY.
- 37           12. A SUMMARY OF THE ANTICIPATED COMMUNITY BENEFITS OF FORMING THE  
38 DISTRICT, INCLUDING EXPECTED IMPACTS ON PUBLIC INFRASTRUCTURE TIMING,  
39 HOUSING ATTAINABILITY AND ECONOMIC DEVELOPMENT, TOGETHER WITH A  
40 DESCRIPTION OF ANY MATERIAL RISKS ASSOCIATED WITH DISTRICT FORMATION AND  
41 IMPLEMENTATION OF THE GENERAL PLAN, INCLUDING POTENTIAL TAX, ASSESSMENT  
42 AND FISCAL IMPACTS ON OWNERS OF REAL PROPERTY IN THE DISTRICT.
- 43           C. THE DISTRICT SHALL ALSO MAKE AVAILABLE ON THE WEBSITE, IN A FORM  
44 THAT CAN BE DOWNLOADED AND PROVIDED TO A PURCHASER, A STANDARDIZED  
45 "DISTRICT DISCLOSURE NOTICE" THAT INCLUDES:

- 1           1. A BRIEF DESCRIPTION OF THE DISTRICT AND ITS POWERS TO LEVY AD  
2 VALOREM TAXES, ASSESSMENTS, FEES AND CHARGES.
- 3           2. THE MOST RECENT AD VALOREM TAX RATE OR ASSESSMENT RATE IMPOSED  
4 BY THE DISTRICT AND A SAMPLE CALCULATION OF THE ESTIMATED ANNUAL AD  
5 VALOREM TAX OR ASSESSMENT ON A HYPOTHETICAL RESIDENTIAL PROPERTY VALUE  
6 SELECTED BY THE BOARD.
- 7           3. A STATEMENT THAT ACTUAL AD VALOREM TAXES, ASSESSMENTS, FEES AND  
8 CHARGES ON A PARTICULAR PROPERTY MAY DIFFER BASED ON CHANGES IN TAX RATES,  
9 ASSESSED VALUE AND DISTRICT FINANCING DECISIONS.
- 10          4. A DESCRIPTION OF THE PUBLIC INFRASTRUCTURE THE DISTRICT IS  
11 AUTHORIZED TO FINANCE, IDENTIFYING WHICH CATEGORIES OF PUBLIC  
12 INFRASTRUCTURE ARE REQUIRED BY THE APPLICABLE MUNICIPALITY OR COUNTY AND  
13 WHICH CATEGORIES ARE NOT REQUIRED BUT HAVE BEEN ELECTED TO BE FINANCED BY  
14 THE DISTRICT.
- 15          5. A STATEMENT DIRECTING PROSPECTIVE PURCHASERS TO THE DISTRICT  
16 WEBSITE FOR ADDITIONAL AND UPDATED INFORMATION.
- 17          D. A SELLER OF PROPERTY LOCATED IN THE DISTRICT WHO IS REQUIRED BY  
18 LAW TO PROVIDE A DISTRICT DISCLOSURE TO A PURCHASER MAY SATISFY ANY  
19 REQUIREMENT TO DESCRIBE THE DISTRICT'S PURPOSES, POWERS, TAX RATES OR  
20 INDEBTEDNESS BY:
  - 21           1. PROVIDING THE PURCHASER WITH A CURRENT COPY OF THE STANDARDIZED  
22 DISTRICT DISCLOSURE NOTICE DESCRIBED IN SUBSECTION C OF THIS SECTION.
  - 23           2. IDENTIFYING IN WRITING THE DISTRICT'S WEBSITE ADDRESS ON OR  
24 BEFORE THE DATE THE PURCHASER SIGNS A BINDING CONTRACT TO ACQUIRE THE  
25 PROPERTY.
- 26          E. THE FAILURE OF THE DISTRICT TO TIMELY UPDATE ALL INFORMATION ON  
27 THE WEBSITE DOES NOT RELIEVE A SELLER FROM ANY DUTY UNDER OTHER APPLICABLE  
28 DISCLOSURE LAWS, BUT A SELLER WHO, IN GOOD FAITH, RELIES ON INFORMATION  
29 POSTED BY THE DISTRICT ON ITS WEBSITE AT THE TIME OF DISCLOSURE IS NOT  
30 LIABLE FOR AN INACCURACY IN THAT INFORMATION UNLESS THE SELLER HAD ACTUAL  
31 KNOWLEDGE OF THE INACCURACY.
- 32          48-7044. Annual report; bond report
- 33          A. NOT LATER THAN ONE HUNDRED EIGHTY DAYS AFTER THE END OF EACH  
34 FISCAL YEAR, THE DISTRICT SHALL SUBMIT TO THE AUTHORITY AN ANNUAL REPORT  
35 CONTAINING:
  - 36           1. THE CURRENT YEAR'S ADOPTED BUDGET FOR THE DISTRICT AND THE TWO  
37 MOST RECENT PRIOR YEARS' ADOPTED BUDGETS.
  - 38           2. A SCHEDULE OF ALL AD VALOREM TAXES, ASSESSMENTS, FEES AND  
39 CHARGES IMPOSED BY THE DISTRICT FOR THE CURRENT FISCAL YEAR.
  - 40           3. A DESCRIPTION OF ALL OUTSTANDING BONDS AND OTHER LONG-TERM  
41 OBLIGATIONS OF THE DISTRICT, INCLUDING THE ORIGINAL PRINCIPAL AMOUNT,  
42 CURRENT PRINCIPAL BALANCE, IF REASONABLY AVAILABLE, MAXIMUM AUTHORIZED  
43 PRINCIPAL, FINAL MATURITY DATE AND A GENERAL DESCRIPTION OF THE REVENUE  
44 SOURCES PLEDGED FOR REPAYMENT.

- 1           4. THE MAXIMUM AUTHORIZED TAX RATE, THE MAXIMUM AUTHORIZED  
2 AGGREGATE PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS, THE MAXIMUM  
3 AGGREGATE ASSESSMENT AMOUNT AND THE MAXIMUM O/M TAX RATE.
- 4           5. THE NAMES, OFFICIAL TITLES AND CONTACT INFORMATION FOR THE  
5 BOARD, THE CLERK AND THE TREASURER.
- 6           6. A BRIEF DESCRIPTION OF THE PUBLIC INFRASTRUCTURE THE DISTRICT  
7 HAS ACQUIRED OR CONSTRUCTED.
- 8           7. THE NUMBER OF RESIDENTIAL HOUSING UNITS CONSTRUCTED WITHIN THE  
9 DISTRICT.
- 10          B. NOT LATER THAN THIRTY DAYS AFTER THE ISSUANCE OF ANY BONDS, THE  
11 DISTRICT SHALL SUBMIT TO THE AUTHORITY A BOND ISSUANCE REPORT CONTAINING:
- 12           1. THE FINAL OFFERING DOCUMENT, IF ANY, PURSUANT TO WHICH THE BONDS  
13 WERE SOLD.
- 14           2. A DEBT SERVICE SCHEDULE FOR THE BONDS.
- 15           3. A DESCRIPTION OF THE PUBLIC INFRASTRUCTURE FINANCED WITH THE  
16 PROCEEDS OF THE BONDS.
- 17           4. IF THE BONDS ARE GENERAL OBLIGATION BONDS, A PROJECTION OF THE  
18 AD VALOREM TAX RATE THAT IS REQUIRED TO SUPPORT DEBT SERVICE ON THE BONDS  
19 AND THAT DOES NOT EXCEED THE MAXIMUM AUTHORIZED TAX RATE.
- 20           5. IF THE BONDS ARE ASSESSMENT BONDS, THE MAXIMUM AGGREGATE  
21 ASSESSMENT AND THE MAXIMUM PER-LOT ASSESSMENT LEVIED IN CONNECTION WITH  
22 THE BONDS.
- 23           6. A DESCRIPTION OF ALL OUTSTANDING BONDS AND OTHER LONG-TERM  
24 OBLIGATIONS OF THE DISTRICT, INCLUDING THE ORIGINAL PRINCIPAL AMOUNT,  
25 CURRENT PRINCIPAL BALANCE, IF REASONABLY AVAILABLE, MAXIMUM AUTHORIZED  
26 PRINCIPAL, FINAL MATURITY DATE AND A GENERAL DESCRIPTION OF THE REVENUE  
27 SOURCES PLEDGED FOR REPAYMENT.
- 28           48-7045. Seller disclosure; form of notice
- 29           A. THIS SECTION APPLIES TO THE SALE OR OTHER CONVEYANCE OF ANY  
30 RESIDENTIAL REAL PROPERTY THAT IS LOCATED WITHIN THE BOUNDARIES OF A  
31 DISTRICT FORMED UNDER THIS CHAPTER AND THAT IS AUTHORIZED TO LEVY AN AD  
32 VALOREM TAX, ASSESSMENT, FEE OR CHARGE THAT APPEARS AS A SEPARATE LINE  
33 ITEM ON THE PROPERTY TAX BILL FOR THAT PROPERTY.
- 34           B. A SELLER OF RESIDENTIAL REAL PROPERTY TO WHICH THIS SECTION  
35 APPLIES SHALL PROVIDE TO EACH PROSPECTIVE PURCHASER A WRITTEN "DISTRICT  
36 DISCLOSURE NOTICE" THAT CONTAINS, AT A MINIMUM, THE INFORMATION DESCRIBED  
37 IN SECTION 48-7043, SUBSECTION C AND THAT SUBSTANTIALLY COMPLIES WITH THE  
38 FORM PRESCRIBED BY THE DISTRICT.
- 39           C. THE SELLER SHALL DELIVER THE DISTRICT DISCLOSURE NOTICE AS  
40 FOLLOWS:
- 41           1. FOR A TRANSACTION IN WHICH THE PURCHASER SIGNS A WRITTEN OFFER,  
42 THE SELLER SHALL DELIVER THE NOTICE TO THE PURCHASER ON OR BEFORE THE DATE  
43 ON WHICH THE PURCHASER SIGNS A BINDING PURCHASE CONTRACT FOR THE PROPERTY.

1           2. FOR ANY OTHER TRANSACTION, THE SELLER SHALL DELIVER THE NOTICE  
2 TO THE PURCHASER BEFORE THE PURCHASER BECOMES OBLIGATED UNDER ANY BINDING  
3 AGREEMENT TO ACQUIRE THE PROPERTY.

4           D. A DISTRICT DISCLOSURE NOTICE SATISFIES THE SELLER'S OBLIGATION  
5 UNDER THIS SECTION IF THE NOTICE:

6           1. IDENTIFIES THE DISTRICT BY LEGAL NAME AND COMMON NAME, IF ANY.

7           2. STATES THAT THE PROPERTY IS LOCATED WITHIN THE DISTRICT AND IS  
8 SUBJECT TO THE DISTRICT'S TAXING AND ASSESSMENT AUTHORITY.

9           3. INCLUDES A BRIEF DESCRIPTION OF THE DISTRICT'S PURPOSES AND  
10 POWERS, INCLUDING ITS AUTHORITY TO LEVY AD VALOREM TAXES, ASSESSMENTS,  
11 FEES OR CHARGES AND A DESCRIPTION OF THE PUBLIC INFRASTRUCTURE THE  
12 DISTRICT IS AUTHORIZED TO FINANCE, IDENTIFYING WHICH CATEGORIES OF PUBLIC  
13 INFRASTRUCTURE ARE REQUIRED BY THE APPLICABLE MUNICIPALITY OR COUNTY AND  
14 WHICH CATEGORIES ARE NOT REQUIRED BUT HAVE BEEN ELECTED TO BE FINANCED BY  
15 THE DISTRICT.

16           4. STATES THE CURRENT AD VALOREM TAX RATE OR ASSESSMENT RATE  
17 IMPOSED BY THE DISTRICT AND PROVIDES AN EXAMPLE OF THE ESTIMATED ANNUAL  
18 TAX OR ASSESSMENT ON A HYPOTHETICAL RESIDENTIAL PROPERTY VALUE.

19           5. STATES THAT ACTUAL TAXES, ASSESSMENTS, FEES AND CHARGES ON THE  
20 PROPERTY MAY CHANGE OVER TIME AND MAY DIFFER FROM THE EXAMPLE PROVIDED.

21           6. STATES THAT THE FORMATION OF THE DISTRICT WAS REVIEWED AND  
22 APPROVED BY THE AUTHORITY DESIGNATED PURSUANT TO THIS CHAPTER AND THAT THE  
23 DISTRICT IS A SEPARATE POLITICAL SUBDIVISION FROM THE MUNICIPALITY AND THE  
24 COUNTY IN WHICH IT IS LOCATED AND THAT ANY AD VALOREM TAXES, ASSESSMENTS,  
25 FEES OR CHARGES IMPOSED BY THE DISTRICT ARE LEVIED BY THE DISTRICT AND ARE  
26 NOT TAXES, ASSESSMENTS, FEES OR CHARGES OF THE MUNICIPALITY OR THE COUNTY.

27           7. PROVIDES THE INTERNET WEBSITE ADDRESS FOR THE DISTRICT AND  
28 ADVISES THE PURCHASER THAT ADDITIONAL AND UPDATED INFORMATION REGARDING  
29 THE DISTRICT'S FINANCES, MEETINGS AND OPERATIONS IS AVAILABLE ON THAT  
30 WEBSITE.

31           E. A SELLER MAY SATISFY THE DISCLOSURE REQUIREMENTS OF THIS SECTION  
32 BY:

33           1. PROVIDING THE PURCHASER WITH A CURRENT COPY OF THE STANDARDIZED  
34 DISTRICT DISCLOSURE NOTICE MADE AVAILABLE BY THE DISTRICT PURSUANT TO  
35 SECTION 48-7043, SUBSECTION C.

36           2. IDENTIFYING THE DISTRICT'S WEBSITE ADDRESS IN THE PURCHASE  
37 CONTRACT OR IN A SEPARATE WRITTEN DISCLOSURE DELIVERED WITH THE NOTICE.

38           F. A SELLER WHO, IN GOOD FAITH, RELIES ON INFORMATION CONTAINED IN  
39 THE STANDARDIZED DISTRICT DISCLOSURE NOTICE PROVIDED BY THE DISTRICT OR  
40 POSTED ON THE DISTRICT'S WEBSITE AT THE TIME OF DISCLOSURE IS NOT LIABLE  
41 FOR AN INACCURACY IN THAT INFORMATION UNLESS THE SELLER HAD ACTUAL  
42 KNOWLEDGE OF THE INACCURACY.

43           G. A SELLER'S COMPLIANCE WITH THIS SECTION DOES NOT SATISFY OR  
44 LIMIT ANY OBLIGATION OF A SUBDIVIDER OR OTHER SELLER TO OBTAIN AND DELIVER  
45 A SUBDIVISION PUBLIC REPORT UNDER TITLE 32, CHAPTER 20, ARTICLE 4, AND

1 DOES NOT LIMIT ANY DISCLOSURE OBLIGATIONS IMPOSED BY SECTION 33-423 OR ANY  
2 OTHER PROVISION OF LAW.

3 48-7046. Change in district boundaries or general plan

4 A. AFTER FORMATION OF A DISTRICT, AN AREA MAY BE DELETED FROM THE  
5 DISTRICT ONLY FOLLOWING A HEARING AFTER NOTICE TO THE OWNERS OF LAND IN  
6 THE DISTRICT, ADOPTION OF A RESOLUTION OF INTENTION TO DO SO BY THE BOARD  
7 AND APPROVAL BY THE OWNERS OF LAND IN THE DISTRICT PURSUANT TO SECTION  
8 48-7041, SUBSECTION C. DELETED AREAS REMAIN SUBJECT TO THE LEVY FOR DEBT  
9 SERVICE ON ANY BONDS ISSUED BEFORE THE DATE OF DELETION.

10 B. AFTER FORMATION OF A DISTRICT, AN AREA MAY BE ADDED TO THE  
11 DISTRICT ON APPROVAL BY THE BOARD FOLLOWING RECEIPT OF A PETITION FOR  
12 ADDITION SIGNED BY THE OWNERS OF ALL OF THE REAL PROPERTY IN THE PROPOSED  
13 ADDITION AREA. THE PETITION MUST INCLUDE A WAIVER OF ANY REQUIREMENT FOR A  
14 SEPARATE RESOLUTION OF INTENTION BY THE BOARD AND A WAIVER OF ANY  
15 REQUIREMENT OF POSTING, PUBLICATION, MAILING, NOTICE, HEARING AND ELECTION  
16 AS TO THAT ADDITION TO THE DISTRICT. THE ADDITION OF PROPERTY TO A  
17 DISTRICT PURSUANT TO THIS SECTION DOES NOT CONSTITUTE THE FORMATION OF A  
18 NEW DISTRICT AND DOES NOT REQUIRE COMPLIANCE WITH THE PROCEDURES  
19 APPLICABLE TO INITIAL DISTRICT FORMATION OR TO AMENDING THE FORMATION  
20 ORDER PURSUANT TO SECTION 48-7003, SUBSECTION K.

21 C. FOLLOWING A HEARING ON NOTICE TO OWNERS OF LAND IN THE DISTRICT  
22 GIVEN IN THE MANNER PRESCRIBED FOR THE DELETION OF AN AREA FROM THE  
23 DISTRICT, THE BOARD MAY AMEND THE GENERAL PLAN IN ANY MANNER THAT IT  
24 DETERMINES WILL NOT SUBSTANTIALLY REDUCE THE BENEFITS TO BE RECEIVED BY  
25 ANY LAND IN THE DISTRICT FROM THE PUBLIC INFRASTRUCTURE ON COMPLETION OF  
26 THE WORK TO BE PERFORMED UNDER THE GENERAL PLAN.

27 D. THE AUTHORITY SHALL APPROVE THE ADDITION OR DELETION OF PROPERTY  
28 UPON DETERMINING THAT THE REQUIREMENTS OF THIS SECTION HAVE BEEN SATISFIED  
29 AND WILL AMEND THE FORMATION ORDER ACCORDINGLY.

30 48-7047. Other districts or improvements

31 A. THE FORMATION OF A DISTRICT UNDER THIS CHAPTER DOES NOT PREVENT  
32 THE SUBSEQUENT ESTABLISHMENT OF SIMILAR DISTRICTS OR THE IMPROVEMENT OR  
33 ASSESSMENT OF LAND IN THE DISTRICT BY THE MUNICIPALITY OR COUNTY PURSUANT  
34 TO CHAPTER 4, ARTICLE 2 OF THIS TITLE OR THE EXERCISE BY THE MUNICIPALITY  
35 OR COUNTY OF ANY OF ITS POWERS ON THE SAME BASIS AS ON ALL OTHER LAND IN  
36 ITS CORPORATE BOUNDARIES.

37 B. NOTWITHSTANDING SUBSECTION A OF THIS SECTION, A DISTRICT MAY NOT  
38 BE FORMED IF ANY PORTION OF THE LAND TO BE INCLUDED WITHIN THE DISTRICT IS  
39 ALREADY INCLUDED WITHIN THE BOUNDARIES OF A COMMUNITY FACILITIES DISTRICT  
40 OR REVITALIZATION DISTRICT IF THE COMMUNITY FACILITIES DISTRICT OR  
41 REVITALIZATION DISTRICT HAS DEBT OUTSTANDING THAT IS SECURED BY AD VALOREM  
42 TAXES OR ASSESSMENTS.

43 48-7048. Perpetual succession; dissolution of district

44 A. THE DISTRICT HAS PERPETUAL SUCCESSION, EXCEPT THAT THE DISTRICT  
45 MAY BE DISSOLVED AS PROVIDED IN THIS SECTION AND, IF THE DISTRICT DOES NOT

1 HAVE ANY BONDS OR OTHER OBLIGATIONS OUTSTANDING, SHALL BE DISSOLVED TEN  
2 YEARS AFTER THE DATE OF FORMATION UNLESS THE AUTHORITY BY RESOLUTION  
3 EXTENDS THE DISTRICT BY AN ADDITIONAL PERIOD OF TEN YEARS.

4 B. THE BOARD SHALL ADOPT A RESOLUTION DISSOLVING THE DISTRICT IF  
5 THE FOLLOWING CONDITIONS EXIST:

6 1. THE DISTRICT NO LONGER OWNS ANY REAL OR PERSONAL PROPERTY.

7 2. THE AUTHORITY VERIFIES THAT THE DISTRICT HAS NO BONDS OR  
8 OBLIGATIONS OUTSTANDING.

9 3. THE AUTHORITY APPROVES THE DISSOLUTION ORDER ON RECEIPT OF A  
10 DISSOLUTION PETITION EXECUTED BY THE OWNERS OF A MAJORITY OF THE REAL  
11 PROPERTY IN THE DISTRICT.

12 C. A DISTRICT SHALL BE DISSOLVED AUTOMATICALLY AND WITHOUT ANY  
13 ACTION FROM THE BOARD OR THE QUALIFIED ELECTORS IN THE YEAR THAT IS FIVE  
14 YEARS AFTER COMPLETION OF ALL WORK TO BE PERFORMED UNDER THE DISTRICT'S  
15 GENERAL PLAN, AS LONG AS THE AUTHORITY HAS VERIFIED THAT NO BONDS OR  
16 OBLIGATIONS REMAIN OUTSTANDING. IF ANY BONDS OR OBLIGATIONS REMAIN  
17 OUTSTANDING AFTER THE YEAR, THE DISTRICT SHALL BE DISSOLVED IN THE YEAR  
18 AFTER THE BONDS OR OBLIGATIONS ARE PAID IN FULL.

19 D. ON SATISFACTION OF THE CONDITIONS PRESCRIBED BY SUBSECTION B OR  
20 C OF THIS SECTION, THE AUTHORITY SHALL APPROVE THE DISSOLUTION AND ISSUE A  
21 DISSOLUTION ORDER. THE BOARD SHALL CAUSE THE DISSOLUTION ORDER TO BE  
22 RECORDED IN THE OFFICE OF THE COUNTY RECORDER AND SHALL CAUSE A COPY OF  
23 THE DISSOLUTION ORDER TO BE DELIVERED TO THE COUNTY ASSESSOR AND THE BOARD  
24 OF SUPERVISORS OF THE COUNTY IN WHICH THE DISTRICT IS LOCATED, TO ANY  
25 MUNICIPALITY IN WHICH THE DISTRICT IS LOCATED AND TO THE DEPARTMENT OF  
26 REVENUE.

27 E. ALL PROPERTY IN THE DISTRICT, EXCEPT FEDERAL, STATE, COUNTY AND  
28 MUNICIPAL PROPERTY, REMAINS SUBJECT TO THE LIEN FOR THE PAYMENT OF AD  
29 VALOREM TAXES LEVIED, AND ANY PROPERTY SUBJECT TO AN ASSESSMENT LIEN  
30 REMAINS SUBJECT TO THE LIEN NOTWITHSTANDING DISSOLUTION OF THE DISTRICT.  
31 THE DISTRICT MAY NOT BE DISSOLVED IF ANY GENERAL OBLIGATION BONDS, REVENUE  
32 BONDS OR ASSESSMENT BONDS OF THE DISTRICT REMAIN OUTSTANDING UNLESS AN  
33 AMOUNT OF MONEY SUFFICIENT, TOGETHER WITH INVESTMENT INCOME THEREON, TO  
34 MAKE ALL PAYMENTS DUE ON THE BONDS EITHER AT MATURITY OR PRIOR REDEMPTION  
35 HAS BEEN DEPOSITED WITH A TRUSTEE OR ESCROW AGENT AND PLEDGED TO THE  
36 PAYMENT AND REDEMPTION OF THE BONDS. THE DISTRICT MAY CONTINUE TO OPERATE  
37 AFTER DISSOLUTION ONLY AS NEEDED TO COLLECT MONIES AND MAKE PAYMENTS ON  
38 ANY OUTSTANDING BONDS.

39 48-7049. Local involvement; preservation of municipal and  
40 county authority

41 A. A DISTRICT FORMED PURSUANT TO THIS CHAPTER HAS NO ZONING,  
42 SUBDIVISION, BUILDING CODE, PERMITTING OR OTHER LAND USE OR DEVELOPMENT  
43 APPROVAL AUTHORITY. ALL LAND USE REGULATION, DEVELOPMENT PLANNING,  
44 PLATTING, PERMITTING, INSPECTION AND CODE ENFORCEMENT AUTHORITY WITHIN THE  
45 BOUNDARIES OF A DISTRICT REMAINS EXCLUSIVELY WITH THE MUNICIPALITY OR

1 COUNTY IN WHICH THE LAND IS LOCATED, AND ALL DEVELOPMENT WITHIN A DISTRICT  
2 IS SUBJECT TO THE SAME GENERAL PLANS, SPECIFIC OR AREA PLANS, ZONING  
3 ORDINANCES, SUBDIVISION REGULATIONS, ENGINEERING STANDARDS, BUILDING AND  
4 FIRE CODES AND OTHER APPLICABLE LAWS, STANDARDS AND PROCEDURES AS  
5 COMPARABLE DEVELOPMENT OUTSIDE A DISTRICT.

6 B. A MUNICIPALITY OR COUNTY RETAINS FULL AUTHORITY TO ADOPT, AMEND,  
7 ADMINISTER AND ENFORCE ITS GENERAL PLAN, SPECIFIC OR AREA PLANS, ZONING  
8 ORDINANCES, SUBDIVISION AND DEVELOPMENT REGULATIONS, ENGINEERING AND  
9 DESIGN STANDARDS, BUILDING AND FIRE CODES AND ANY OTHER LAWS, REGULATIONS  
10 OR POLICIES GOVERNING THE PLANNING, ENTITLEMENT, CONSTRUCTION, INSPECTION,  
11 ACCEPTANCE, OPERATION OR MAINTENANCE OF PUBLIC INFRASTRUCTURE OR PRIVATE  
12 DEVELOPMENT WITHIN ITS JURISDICTION, WITHOUT REGARD TO WHETHER THE LAND IS  
13 LOCATED WITHIN A DISTRICT.

14 C. A DISTRICT MAY FINANCE, CONSTRUCT OR ACQUIRE PUBLIC  
15 INFRASTRUCTURE THAT IS INTENDED TO BE CONVEYED TO AND OWNED, OPERATED OR  
16 MAINTAINED BY A MUNICIPALITY OR COUNTY ONLY IF THE PUBLIC INFRASTRUCTURE  
17 IS DESIGNED AND CONSTRUCTED IN ACCORDANCE WITH THE GENERALLY APPLICABLE  
18 PLANS, ORDINANCES, CODES, STANDARDS, REGULATIONS AND STANDARD-FORM  
19 AGREEMENTS OF THE MUNICIPALITY OR COUNTY FOR COMPARABLE PUBLIC  
20 INFRASTRUCTURE IN THE JURISDICTION. A MUNICIPALITY OR COUNTY MAY ACCEPT  
21 OR REJECT ANY SUCH PUBLIC INFRASTRUCTURE IN ACCORDANCE WITH THE  
22 MUNICIPALITY'S OR COUNTY'S GENERALLY APPLICABLE ORDINANCES, CODES,  
23 STANDARDS, REGULATIONS, STANDARD-FORM SUBDIVISION OR IMPROVEMENT  
24 AGREEMENTS OR OTHER WRITTEN INSTRUMENTS, INCLUDING ANY APPLICABLE  
25 DEVELOPMENT AGREEMENT OR INTERGOVERNMENTAL AGREEMENT, AND IS NOT REQUIRED  
26 TO ACCEPT PUBLIC INFRASTRUCTURE THAT THE MUNICIPALITY OR COUNTY IS NOT  
27 OTHERWISE REQUIRED TO ACCEPT UNDER APPLICABLE LAW.

28 D. BEFORE A DISTRICT CONVEYS TO A MUNICIPALITY OR COUNTY ANY PUBLIC  
29 INFRASTRUCTURE THAT IS FINANCED, CONSTRUCTED OR ACQUIRED BY THE DISTRICT,  
30 THE DISTRICT SHALL OBTAIN A CERTIFICATION FROM THE ENGINEER OR OTHER  
31 OFFICIAL DESIGNATED BY THE MUNICIPALITY OR COUNTY STATING THAT THE PUBLIC  
32 INFRASTRUCTURE HAS BEEN COMPLETED IN ACCORDANCE WITH THE APPLICABLE PLANS,  
33 SPECIFICATIONS AND STANDARDS OF THE MUNICIPALITY OR COUNTY. THE TIMING,  
34 FORM AND CONTENT OF THE CERTIFICATION AND OF ANY CONVEYANCE INSTRUMENTS  
35 SHALL CONFORM TO THE MUNICIPALITY'S OR COUNTY'S GENERALLY APPLICABLE  
36 REQUIREMENTS FOR COMPARABLE PUBLIC INFRASTRUCTURE. ACCEPTANCE OF A  
37 DISCRETE SECTION OF PUBLIC INFRASTRUCTURE PURSUANT TO THIS SECTION DOES  
38 NOT MODIFY THE ASSURANCES AND WARRANTY REQUIREMENTS OF A MUNICIPALITY OR  
39 COUNTY PRESCRIBED BY A MUNICIPAL OR COUNTY CODE OR ORDINANCE OR AS  
40 OUTLINED IN A DEVELOPMENT AGREEMENT ENTERED INTO PURSUANT TO SECTION  
41 9-500.05 OR 11-1101.

42 E. THE FORMATION OR EXISTENCE OF A DISTRICT DOES NOT CREATE ANY  
43 OBLIGATION FOR A MUNICIPALITY OR COUNTY TO PROVIDE SERVICES, FACILITIES OR  
44 FINANCIAL SUPPORT TO THE DISTRICT OR TO ANY LAND WITHIN THE DISTRICT THAT  
45 THE MUNICIPALITY OR COUNTY WOULD NOT OTHERWISE BE REQUIRED TO PROVIDE IF

1 THE LAND WERE NOT LOCATED IN THE DISTRICT. A MUNICIPALITY OR COUNTY IS  
2 NOT REQUIRED, SOLELY BECAUSE A DISTRICT HAS BEEN FORMED OR PUBLIC  
3 INFRASTRUCTURE HAS BEEN FINANCED, CONSTRUCTED OR ACQUIRED BY A DISTRICT,  
4 TO ACCEPT OWNERSHIP, OPERATION OR MAINTENANCE RESPONSIBILITY FOR ANY  
5 PUBLIC INFRASTRUCTURE OR TO INCUR ANY ADDITIONAL FINANCIAL OBLIGATION OR  
6 LIABILITY WITH RESPECT TO A DISTRICT OR ITS PUBLIC INFRASTRUCTURE, EXCEPT  
7 TO THE EXTENT THAT THE MUNICIPALITY OR COUNTY EXPRESSLY AGREES IN A  
8 DEVELOPMENT AGREEMENT, INTERGOVERNMENTAL AGREEMENT OR OTHER WRITTEN  
9 INSTRUMENT THAT IS AUTHORIZED BY LAW.

10 F. THIS ARTICLE DOES NOT AUTHORIZE A DISTRICT TO PLEDGE THE FULL  
11 FAITH AND CREDIT OR THE TAXING POWER OF A MUNICIPALITY OR COUNTY. ANY  
12 BONDS OR OTHER OBLIGATIONS OF A DISTRICT ARE OBLIGATIONS ONLY OF THE  
13 DISTRICT AND ARE PAYABLE ONLY FROM THE SOURCES THAT ARE PLEDGED FOR THEIR  
14 PAYMENT.

15 G. ANY PUBLIC INFRASTRUCTURE FINANCED PURSUANT TO THIS CHAPTER THAT  
16 CONSTITUTES IMPROVEMENTS AS DEFINED IN SECTION 9-463 WILL REMAIN SUBJECT  
17 TO THE MUNICIPALITY'S AUTHORITY UNDER SECTION 9-463.01, INCLUDING  
18 REQUIREMENTS FOR PERFORMANCE BONDS, ASSURANCES OR OTHER SECURITY UNDER  
19 SECTION 9-463.01, SUBSECTION C, PARAGRAPH 8.

20 48-7050. District formation period; termination; bonds;  
21 applicability

22 A. THE AUTHORITY MAY NOT ISSUE A FORMATION ORDER FOR A DISTRICT  
23 UNDER THIS CHAPTER AFTER JUNE 30, 2036.

24 B. THIS SECTION DOES NOT AFFECT THE CONTINUED EXISTENCE, POWERS OR  
25 OPERATIONS OF ANY DISTRICT THAT IS FORMED UNDER THIS CHAPTER ON OR BEFORE  
26 JUNE 30, 2036.

27 C. THIS SECTION DOES NOT IMPAIR THE VALIDITY OR ENFORCEABILITY OF  
28 ANY BONDS OR OTHER OBLIGATIONS ISSUED OR INCURRED BY A DISTRICT THAT IS  
29 FORMED UNDER THIS CHAPTER ON OR BEFORE JUNE 30, 2036, OR ANY PLEDGE OF  
30 TAXES, ASSESSMENTS OR OTHER REVENUES MADE TO SECURE THOSE BONDS OR  
31 OBLIGATIONS.

32 Sec. 6. Legislative findings; purpose

33 A. The legislature finds and declares that:

34 1. The provision of public infrastructure in advance of development  
35 is essential to housing affordability, economic development and orderly  
36 growth.

37 2. State affordability infrastructure districts provide a uniform,  
38 statewide mechanism for financing public infrastructure in a manner that:

39 (a) Protects taxpayers through limited tax rates and debt  
40 limitations.

41 (b) Ensures transparency and public accountability.

42 (c) Facilitates early delivery of public infrastructure at lower  
43 cost.

1           3. The Arizona finance authority is the appropriate statewide  
2 certification authority to ensure uniform financial, engineering, and  
3 statutory compliance for such districts.

4           4. The certification and oversight functions provided in this  
5 chapter constitute governmental functions serving valid public purposes.

6           B. The legislature further finds and declares that:

7           1. State affordability infrastructure districts exercise limited,  
8 special-purpose governmental powers relating solely to the financing,  
9 construction, operation and maintenance of public infrastructure.

10          2. The financial obligations of a district, including ad valorem  
11 taxes, assessments, and liens, are borne directly and proportionally by  
12 real property within the district.

13          3. Because the powers and financial burdens of a district  
14 disproportionately affect real property owners, it is reasonable and  
15 constitutionally permissible to allocate voting power in district  
16 elections based on land ownership and acreage.

17          4. Elections conducted pursuant to this chapter are fiscal  
18 determinations relating to property-based obligations and are not general  
19 political elections.

20          Sec. 7. Short title

21          This act may be cited as the "State Affordability Infrastructure  
22 District Act".

APPROVED BY THE GOVERNOR JUNE 4, 2026.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 5, 2026.