

CHAPTER 159

GOVERNMENT - COUNTY

HOUSE BILL 99-1159

BY REPRESENTATIVES Berry, Kester, Mace, Webster, and Smith;
also SENATORS Tebedo, Chlouber, Phillips, and Teck.

AN ACT

CONCERNING IMPROVEMENT DISTRICTS OF LOCAL GENERAL PURPOSE GOVERNMENTS.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 30-20-503 (3), Colorado Revised Statutes, is amended to read:

30-20-503. Definitions. As used in this part 5, unless the context otherwise requires:

(3) "Improvement district", referred to in this part 5 as a "district", means a taxing unit ~~which~~ THAT may be created ~~within~~ BY any county in this state ~~whether operating under a home rule charter or under the general laws of the state, for the purpose of providing fire protection services or for the purpose of constructing, installing, or otherwise acquiring, therein~~ OPERATING, OR MAINTAINING any public improvement including, but not limited to, fire protection facilities, grading, paving, curbing, guttering, or otherwise improving the whole or any part of any street or alley, parking and off-street parking facilities, sewer drainage collection systems, storm sewer drainage systems, surface drainage systems, and heating and cooling works and distribution systems for the distribution of heat and cooling obtained from geothermal resources, solar or wind energy, hydroelectric or renewable biomass resources, including waste and cogenerated heat, but excepting electric light or gas systems or plants, and water and sewer treatment systems, facilities, and distribution lines. No such improvement or facility or fire protection service shall duplicate or interfere with any improvement or facility already constructed within the limits of such district or service provided by an existing special district OR FOR THE PURPOSE OF PROVIDING ANY SERVICE SO LONG AS THE COUNTY THAT FORMS THE DISTRICT IS AUTHORIZED TO PERFORM SUCH SERVICE OR PROVIDE SUCH IMPROVEMENT UNDER THE COUNTY'S HOME RULE CHARTER, IF ANY, OR THE LAWS OF THIS STATE. "PUBLIC IMPROVEMENT"

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

OR "SERVICE" SHALL NOT INCLUDE ANY FACILITY IDENTIFIED IN SECTION 30-20-101 (8) OR (9), NOR SHALL THE TERMS INCLUDE SERVICES IDENTIFIED IN SECTION 30-15-401 (4) TO (7.7) UNLESS THE DISTRICT PROVIDES SUCH SERVICES CONSISTENT WITH PART 4 OF ARTICLE 15 OF THIS TITLE. NO SUCH DISTRICT SHALL PROVIDE THE SAME IMPROVEMENT OR SERVICE AS AN EXISTING SPECIAL DISTRICT WITHIN THE TERRITORY OF SUCH EXISTING SPECIAL DISTRICT UNLESS THE EXISTING SPECIAL DISTRICT CONSENTS. A district may consist of noncontiguous tracts or parcels and may be organized wholly or partially within an existing special district if it is not providing the same service as the special district. ~~A district organized for the purpose of providing fire protection services or facilities may be wholly or partially within the boundaries of any municipality within the county if such municipality consents by ordinance to such district. If territory within a municipality is included in a district by municipal consent, the county shall have full authority to provide fire protection services and to provide for the administration and financing thereof in the manner provided in this part 5. If any territory within a district providing fire protection services is annexed by or incorporated into a municipality, such territory shall remain in the district unless the municipality by ordinance or resolution notifies the governing body of its intent to exclude municipal territory from the district. Any such territory shall be excluded effective January 1 of the year following adoption of such ordinance or resolution, except that such territory shall remain subject to payment of its share of any indebtedness outstanding on the date of exclusion.~~

SECTION 2. 30-20-504, Colorado Revised Statutes, is amended to read:

30-20-504. Authority of governing body. (1) Within the unincorporated territory of any county, the governing body of such county is hereby vested with jurisdiction, power, and authority to establish districts for the ACQUISITION, construction, or installation, OPERATION, OR MAINTENANCE of improvements OR THE PROVISION OF SERVICES authorized by this part 5. THE GOVERNING BODY OF A COUNTY MAY ESTABLISH A DISTRICT WHOLLY OR PARTIALLY WITHIN THE BOUNDARIES OF ANY MUNICIPALITY OR PARTIALLY WITHIN THE UNINCORPORATED TERRITORY OF ANOTHER COUNTY IF SUCH MUNICIPALITY OR COUNTY CONSENTS BY RESOLUTION TO THE ESTABLISHMENT OF SUCH DISTRICT.

(2) IF A MUNICIPALITY ANNEXES OR INCORPORATES ANY TERRITORY WITHIN AN ESTABLISHED DISTRICT, SUCH TERRITORY SHALL REMAIN IN THE DISTRICT UNLESS THE MUNICIPALITY NOTIFIES THE DISTRICT'S BOARD OF THE MUNICIPALITY'S INTENT TO EXCLUDE THE TERRITORY ANNEXED OR INCORPORATED FROM THE DISTRICT. IF THE MUNICIPALITY NOTIFIES THE BOARD OF ITS INTENT TO EXCLUDE SUCH TERRITORY, SUCH EXCLUSION SHALL TAKE EFFECT JANUARY 1 OF THE YEAR FOLLOWING SUCH NOTICE. ANY PROPERTY EXCLUDED FROM THE DISTRICT UNDER THIS SUBSECTION (2) SHALL REMAIN SUBJECT TO PAYMENT OF ITS SHARE OF ANY INDEBTEDNESS OR BONDS THAT ARE OUTSTANDING ON THE DATE OF SUCH EXCLUSION.

SECTION 3. 30-20-505 (1) and (2), Colorado Revised Statutes, are amended, and the said 30-20-505 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

30-20-505. Organization petition - contents. (1) The organization of a district shall be initiated by a petition filed in the office of the clerk of the board of county commissioners OF THE COUNTY CREATING THE DISTRICT. The petition shall be signed

by not less than ~~a majority of those~~ THIRTY PERCENT OR TWO HUNDRED OF THE electors of the proposed district, ~~who own taxable real or personal property in the district. At the time of filing the petition, the owners of taxable real or personal property located within the limits of the proposed district, who are not electors of the district, may file their consent, in writing, to the inclusion of their property in the district~~ WHICHEVER IS LESS. After the filing of a petition, ~~or a consent to inclusion~~, no signer shall be permitted to withdraw his OR HER name therefrom. ~~If the district is to consist of noncontiguous tracts or parcels, the petition shall be signed by not less than a majority of those electors who own taxable real or personal property in each of those included tracts or parcels.~~

(2) The petition shall set forth:

(a) The name of the proposed district, which shall include the name of the county ~~in which the district is proposed~~, CREATING THE DISTRICT, a descriptive name or number, and the words "~~general~~ "PUBLIC improvement district";

(b) A general description of the improvements to be constructed, installed, ~~or otherwise acquired, within and for~~ OPERATED, OR MAINTAINED OR THE SERVICES TO BE PROVIDED BY the district;

(c) The estimated cost of the proposed improvements OR THE ESTIMATED ANNUAL COST OF PROVIDING THE PROPOSED SERVICES;

(d) A general description of the boundaries of the district or the territory to be included therein, with such certainty as to enable a property owner to determine whether or not his OR HER property is within the district;

(e) The names of three electors who shall represent the petitioners and who have the power to enter into agreements relating to the organization of the district, which agreements shall be binding on the district, if created; ~~and~~

(f) A prayer for the organization of the district; AND

(g) A STATEMENT THAT EITHER:

(I) THE BOUNDARIES OF THE PROPOSED DISTRICT INCLUDE AT LEAST ONE HUNDRED ELIGIBLE ELECTORS;

(II) THE BOUNDARIES OF THE PROPOSED DISTRICT INCLUDE AT LEAST ONE ELIGIBLE ELECTOR FOR EACH FIVE ACRES OF LAND INCLUDED WITHIN THE PROPOSED DISTRICT; OR

(III) THE PETITION IS SIGNED BY ONE HUNDRED PERCENT OF THE OWNERS OF TAXABLE REAL PROPERTY TO BE INCLUDED IN THE PROPOSED DISTRICT.

(4) IF THE PETITION IS SIGNED BY ONE HUNDRED PERCENT OF THE OWNERS OF THE TAXABLE REAL PROPERTY TO BE INCLUDED IN THE DISTRICT AND THE PETITION CONTAINS A WAIVER REQUEST, THE BOARD OF COUNTY COMMISSIONERS MAY, AT ITS DISCRETION, WAIVE ALL OR ANY OF THE REQUIREMENTS FOR NOTICE, PUBLICATION, AND A HEARING SET FORTH IN SECTIONS 30-20-507 AND 30-20-508.

SECTION 4. 30-20-507, Colorado Revised Statutes, is amended to read:

30-20-507. Notice of hearing. As soon as possible after the filing of such petition, the governing body shall fix, by order, a place and time, not less than twenty days nor more than forty days after the petition is filed, for a hearing thereon. Thereupon the clerk of the governing body shall cause notice by publication to be made of the pendency of the petition, of the purposes and boundaries of the proposed district, and of the time and place of hearing thereon. The clerk shall also forthwith cause a copy of said notice to be mailed to each elector of the district at ~~his or her~~ THE ELECTOR'S last-known address, as disclosed by the tax records of the ~~county~~ COUNTY COUNTRIES and the last official voter registration lists. THE CLERK SHALL ALSO CAUSE A COPY OF SAID NOTICE TO BE MAILED TO EACH MUNICIPALITY LOCATED WITHIN THREE MILES OF THE BOUNDARIES OF THE PROPOSED DISTRICT AT THE SAME TIME NOTICE IS MAILED TO THE ELECTORS OF THE DISTRICT.

SECTION 5. 30-20-508 (1), (2), and (4), Colorado Revised Statutes, are amended to read:

30-20-508. Hearing - dismissal - findings - declaration - when action barred.

(1) On the day fixed for such hearing or at any adjournment thereof OR, IF THE HEARING IS WAIVED UNDER SECTION 30-20-505 (4), AT ANY MEETING AT WHICH A RESOLUTION CREATING A DISTRICT IS CONSIDERED, the governing body shall ascertain from the tax rolls of the ~~county~~ COUNTY COUNTRIES in which the district is located, from the last official registration list, and from such other evidence which may be adduced, the total number of electors of the district.

(2) If it appears that said petition is not signed by at least ~~a majority of those electors of the proposed district~~ THE NUMBER OF ELECTORS REQUIRED UNDER SECTION 30-20-505 (1) or if it is shown that the proposed improvement OR SERVICE will not confer a general benefit on the district, or that the cost of the improvement OR SERVICE would be excessive as compared with the value of the property in the district, the governing body shall thereupon dismiss the petition and adjudge the cost against those executing the bond filed to pay such costs. No appeal or other remedy shall lie from an order dismissing said proceeding. Nothing in this section shall be construed to prevent the filing of subsequent petitions for similar improvements OR SERVICES or for a similar district. The right so to renew such proceeding is hereby expressly granted and authorized.

(4) (a) Upon the hearing, IF REQUIRED, OR WITHOUT A HEARING PURSUANT TO SECTION 30-20-505 (4), if it appears that a petition for the organization of a district has been duly signed and presented in conformity with this part 5, and that the allegations of the petition are true, the governing body, by resolution duly adopted and made effective, shall adjudicate all questions of jurisdiction ~~declare the district organized, and give it~~ AND MAY ORDER THAT THE QUESTION OF THE ORGANIZATION OF THE DISTRICT AND SUCH OTHER MATTERS AS THE GOVERNING BODY DEEMS APPROPRIATE INCLUDING, BUT NOT LIMITED TO, THE ISSUANCE OF BONDS OR OTHER MATTERS FOR WHICH VOTER APPROVAL IS REQUIRED UNDER SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION, BE SUBMITTED TO THE ELECTORS AT AN ELECTION TO BE HELD FOR THAT PURPOSE IN ACCORDANCE WITH THE PROVISIONS OF ARTICLES 1 TO 13 OF TITLE 1, C.R.S. UNLESS PROVIDED OTHERWISE IN SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION, SUCH ELECTION MAY BE HELD

EITHER AT A SPECIAL ELECTION WITHIN NOT LESS THAN SIXTY DAYS BUT NOT MORE THAN ONE HUNDRED EIGHTY DAYS AFTER THE DATE THE GOVERNING BODY ADOPTED THE RESOLUTION OR IN CONJUNCTION WITH A GENERAL ELECTION, BALLOT ISSUE ELECTION, OR BALLOT QUESTION ELECTION.

(b) AT AN ELECTION HELD UNDER PARAGRAPH (a) OF THIS SUBSECTION (4), THE ELECTORS OF THE DISTRICT SHALL VOTE FOR OR AGAINST THE ORGANIZATION OF THE DISTRICT AND SUCH OTHER MATTERS AS THE GOVERNING BODY DEEMS APPROPRIATE, INCLUDING, BUT NOT LIMITED TO, THE ISSUANCE OF BONDS OR MATTERS FOR WHICH VOTER APPROVAL IS REQUIRED UNDER SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION. IF A MAJORITY OF THE VOTES CAST AT THE ELECTION ARE IN FAVOR OF THE ORGANIZATION, THE GOVERNING BODY SHALL ADOPT A RESOLUTION DECLARING THE DISTRICT ORGANIZED.

(c) IF A PETITION FILED WITH THE GOVERNING BODY COMPLIES WITH SECTION 30-20-505 (4), THE GOVERNING BODY MAY ADOPT A RESOLUTION DECLARING THE DISTRICT ORGANIZED WITHOUT ANY NOTICE, HEARING, ELECTION, OR THE FILING OF A BOND.

(d) IF THE GOVERNING BODY ADOPTS A RESOLUTION IN ACCORDANCE WITH PARAGRAPH (b) OR (c) OF THIS SUBSECTION (4), THE GOVERNING BODY SHALL GIVE THE DISTRICT the corporate name specified in the petition by which, in all proceedings, it shall thereafter be known. Thereupon the district shall be a public or quasi-municipal subdivision of the state of Colorado and a body corporate with the limited proprietary powers set forth in this part 5.

(e) NOTHING IN THIS SUBSECTION (4) AUTHORIZES A GOVERNING BODY TO WAIVE AN ELECTION OTHERWISE REQUIRED UNDER SECTION 20 OF ARTICLE X AND SECTION 6 OF ARTICLE XI OF THE COLORADO CONSTITUTION OR TO HOLD AN ELECTION INCONSISTENT WITH THE ELECTION REQUIREMENTS IN SAID SECTION 20.

SECTION 6. 30-20-509, Colorado Revised Statutes, is amended to read:

30-20-509. Recording of resolution. Within thirty days after a district ~~located within the unincorporated territory of a county~~ is organized, the clerk of the governing body shall transmit for recording a copy of the resolution establishing the district to the county clerk and recorder of ~~the county~~ EACH OF THE COUNTIES in which the district OR A PART THEREOF is located.

SECTION 7. 30-20-512 (1) (e), (1) (f), (1) (g), and (1) (h), Colorado Revised Statutes, are amended, and the said 30-20-512 (1) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

30-20-512. General powers of district. (1) The district has the following limited powers:

(e) To borrow money and incur GENERAL OBLIGATION indebtedness and evidence the same by BONDS, certificates, warrants, notes, and debentures IN ACCORDANCE WITH THE PROVISIONS OF THIS PART 5 and to issue ~~negotiable coupon~~ REVENUE bonds OR SPECIAL ASSESSMENT BONDS in accordance with the provisions of this part 5;

(f) To acquire, construct, install, ~~and~~ operate, AND MAINTAIN the improvements OR PROVIDE THE SERVICES contemplated by this part 5, INCLUDING IMPROVEMENTS LOCATED OUTSIDE THE BOUNDARIES OF THE DISTRICT, and all property, rights, or interest incidental or appurtenant thereto, and to dispose of real and personal property and any interest therein, including leases and easements in connection therewith; but any improvement OR SERVICE, other than described in the organization petition, shall be first approved by EITHER A petition signed by not less than fifty percent of the taxpaying electors in the district or ~~if the cost thereof is five thousand dollars or more; shall also be first approved by election; pursuant to section 30-20-523;~~

(g) To refund any ~~bonded~~ GENERAL OBLIGATION indebtedness, REVENUE BONDS, OR SPECIAL ASSESSMENT BONDS of the district without an election; otherwise, the terms and conditions of refunding bonds shall be substantially the same as those of an original issue of bonds of the district;

(h) To have the management, control, and supervision of all the business and affairs of the district and of the ACQUISITION, construction, installation, ~~and~~ operation, AND MAINTENANCE of district improvements ~~therein~~ OR THE PROVISION OF SERVICES;

(o) TO CONDUCT AN ELECTION IN ACCORDANCE WITH ARTICLES 1 TO 13 OF TITLE 1, C.R.S., FOR ANY PURPOSE THE BOARD DEEMS NECESSARY OR REQUIRED.

SECTION 8. 30-20-515, Colorado Revised Statutes, is amended to read:

30-20-515. Determining and fixing rate of levy. The board shall determine annually the amount of money necessary to be raised by a levy on the taxable property in the district, taking into consideration other sources of revenue of the district, and shall fix a rate of levy which, when levied upon every dollar of valuation for assessment of taxable property within the district, together with other revenues, shall raise the amount required by the district during the ensuing fiscal year for paying expenses of organization and the costs of ACQUIRING, constructing, installing, ~~and~~ operating, AND MAINTAINING the improvements or works of the district OR PROVIDING THE SERVICES OF THE DISTRICT and promptly to pay in full when due all interest on and principal of GENERAL OBLIGATION bonds OR INDEBTEDNESS and other obligations of the district. In the event of accruing defaults or deficiencies, additional levies may be made as provided in section 30-20-516. At the time of certifying other tax levies, the board shall certify to the board of county commissioners of ~~the~~ EACH county in which the district OR A PORTION THEREOF lies the rate of levy so determined with directions that, at the time and in the manner required by law for levying of taxes for county purposes, such board of county commissioners shall levy such tax upon the valuation for assessment of all taxable property within the district at the rate so fixed and determined, in addition to such other taxes as may be levied by such board of county commissioners.

SECTION 9. 30-20-522, Colorado Revised Statutes, is amended to read:

30-20-522. Board can issue bonds - form - legislative declaration. (1) To carry out the purposes of this part 5, the board is hereby authorized to issue ~~negotiable coupon~~ bonds of the district. ~~in an amount not exceeding twenty-five percent of the valuation for assessment of the district.~~ Such bonds shall bear interest at a rate such that the net effective interest rate of the issue of bonds does not exceed

the maximum net effective interest rate authorized, payable ~~semiannually~~ AT SUCH TIMES AS DETERMINED BY THE BOARD, and shall be due and payable ~~serially, either annually or semiannually, commencing not later than three years and~~ IN INSTALLMENTS AT SUCH TIMES AS DETERMINED BY THE BOARD AND extending not more than twenty years from date of issuance. The form and terms of said bonds, including provisions for their sale, payment, and redemption, shall be determined by the board. TO THE EXTENT REQUIRED BY SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION, SUCH BONDS SHALL NOT BE ISSUED UNLESS FIRST APPROVED AT AN ELECTION HELD FOR THAT PURPOSE IN ACCORDANCE WITH ARTICLES 1 TO 13 OF TITLE 1, C.R.S. If the board so determines, such bonds may be redeemable prior to maturity, with or without payment of a premium, but no premium shall exceed three percent of the principal thereof. The bonds shall be executed in the name of and on behalf of the district and signed by the presiding officer of the board with the seal of the district affixed thereto and attested by the secretary of the board. Such bonds shall be in such denominations as the board shall determine. ~~and the bonds and coupons thereto attached shall be payable to bearer.~~ Interest coupons, IF ANY, shall bear the original or facsimile signature of the presiding officer of the board. Under no circumstances shall any of said bonds be considered or held to be an indebtedness, obligation, or liability of the ~~county~~ COUNTIES OR MUNICIPALITIES in which the district OR ANY PORTION THEREOF is located, and bonds issued pursuant to the provisions of this part 5 shall contain a statement to that effect.

(2) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

(a) IN PERFORMING ITS DUTIES UNDER SECTION 20 OF ARTICLE X AND SECTION 6 OF ARTICLE XI OF THE COLORADO CONSTITUTION, THE GENERAL ASSEMBLY MUST BALANCE THE INTERESTS OF CONTROLLING PUBLIC DEBT, PRESERVING LOCAL CONTROL, AND REASONABLY RESTRAINING MOST THE GROWTH OF GOVERNMENT;

(b) IN BALANCING THESE CONSTITUTIONAL INTERESTS THROUGH THE EXERCISE OF ITS LEGISLATIVE AUTHORITY, THE GENERAL ASSEMBLY HAS ENACTED LIMITATIONS ON THE ABILITY OF COUNTY PUBLIC IMPROVEMENT DISTRICTS TO INCUR INDEBTEDNESS;

(c) A STATUTORY RESTRICTION HAS BEEN IMPOSED ON THE AMOUNT OF BONDED INDEBTEDNESS THAT COUNTY PUBLIC IMPROVEMENT DISTRICTS CAN INCUR WITH VOTER APPROVAL;

(d) FROM TIME TO TIME, CHANGES TO SUCH LIMITATIONS IMPOSED ON COUNTY PUBLIC IMPROVEMENT DISTRICTS ARE NECESSARY IN ORDER TO KEEP THESE CONSTITUTIONAL INTERESTS PROPERLY BALANCED IN LIGHT OF CHANGING CIRCUMSTANCES;

(e) SECTION 20(1) OF ARTICLE X OF THE COLORADO CONSTITUTION PROHIBITS THE WEAKENING OF "OTHER LIMITS ON DISTRICT REVENUE, SPENDING, AND DEBT" WITHOUT FUTURE VOTER APPROVAL;

(f) NO CHANGE IN COUNTY PUBLIC IMPROVEMENT DISTRICT DEBT OCCURS BY VIRTUE OF STATUTORY CHANGES THAT INCREASE A LIMIT WHEN THE DEBT WOULD NOT ACTUALLY INCREASE WITHOUT SUCH DISTRICT VOTER APPROVAL;

(g) ANY ACTUAL WEAKENING OF COUNTY PUBLIC IMPROVEMENT DISTRICT DEBT

LIMITATION OCCURS ONLY WHEN SUCH DISTRICT VOTER APPROVAL IS OBTAINED UNDER AN INCREASED LIMIT; AND

(h) BY REQUIRING VOTERS TO GIVE APPROVAL AT THE COUNTY PUBLIC IMPROVEMENT DISTRICT LEVEL FOR ANY WEAKENING OF A COUNTY PUBLIC IMPROVEMENT DISTRICT LIMIT ON DEBT, THE VOTER APPROVAL REQUIREMENT OF SECTION 20 (1) OF ARTICLE X OF THE COLORADO CONSTITUTION IS SATISFIED IN A MANNER ACHIEVING A REASONABLE RESULT THROUGH LEGISLATIVE HARMONIZATION OF CONSTITUTIONAL PROVISIONS.

SECTION 10. Part 5 of article 20 of title 30, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SECTIONS to read:

30-20-512.5. Local improvement districts - authority to establish. IN ORDER TO DEFRAY ALL OR ANY PORTION OF THE COSTS OF THE IMPROVEMENTS OR SERVICES PROVIDED BY THE DISTRICT, THE BOARD MAY ESTABLISH LOCAL IMPROVEMENT DISTRICTS WITHIN THE BOUNDARIES OF THE DISTRICT. SUCH LOCAL IMPROVEMENT DISTRICTS MAY BE ESTABLISHED WHENEVER THE BOARD DETERMINES THAT PROPERTY IN THE DISTRICT WILL BE ESPECIALLY BENEFITTED BY SUCH IMPROVEMENTS OR SERVICES. THE METHOD OF CREATING LOCAL IMPROVEMENT DISTRICTS, MAKING THE IMPROVEMENTS OR PROVIDING THE SERVICES, AND ASSESSING THE COSTS THEREOF SHALL BE AS PROVIDED IN PART 6 OF THIS ARTICLE. HOWEVER, THE ELECTORS ELIGIBLE TO VOTE ON ANY QUESTION UNDER THIS SECTION SHALL EITHER BE ELECTORS OF THE DISTRICT OR ELECTORS WITHIN THE PROPOSED LOCAL IMPROVEMENT DISTRICT, AS DETERMINED BY THE BOARD. IN ADDITION, THE BOARD SHALL PERFORM THE DUTIES OF THE GOVERNING BODY AS SET FORTH IN PART 6 OF THIS ARTICLE, AND THE SECRETARY OF THE DISTRICT SHALL PERFORM THE DUTIES OF THE COUNTY CLERK AND RECORDER AS SET FORTH IN PART 6 OF THIS ARTICLE. THE IMPROVEMENTS THAT THE LOCAL IMPROVEMENT DISTRICT MAY CONSTRUCT AND THE SERVICES THAT THE LOCAL IMPROVEMENT DISTRICT MAY PROVIDE SHALL BE THE IMPROVEMENTS AND THE SERVICES THAT THE DISTRICT MAY PROVIDE UNDER THIS PART 5.

30-20-532. Confirmation of board actions and powers. (1) IN ITS DISCRETION, THE BOARD MAY FILE A PETITION AT ANY TIME IN THE DISTRICT COURT IN ANY COUNTY IN WHICH THE DISTRICT OR A PORTION THEREOF IS LOCATED FOR A JUDICIAL EXAMINATION AND DETERMINATION OF ANY POWER CONFERRED, ANY SECURITIES ISSUED BY THE DISTRICT OR AUTHORIZED TO BE ISSUED BY THE DISTRICT, ANY TAXES, ASSESSMENTS, OR SERVICE CHARGES LEVIED OR OTHERWISE MADE BY THE DISTRICT OR CONTRACTED TO BE LEVIED BY THE DISTRICT OR OTHERWISE MADE BY THE DISTRICT, OR OF ANY OTHER ACT, PROCEEDING, OR CONTRACT OF THE DISTRICT WHETHER OR NOT SUCH ACT, PROCEEDING, OR CONTRACT HAS BEEN TAKEN OR EXECUTED, INCLUDING PROPOSED CONTRACTS FOR ANY IMPROVEMENT, PROPOSED SECURITIES OF THE DISTRICT TO DEFRAY IN WHOLE OR IN PART THE COST OF THE PROJECT, THE PROPOSED ACQUISITION, IMPROVEMENT, EQUIPMENT, MAINTENANCE, OPERATION, OR DISPOSAL OF ANY PROPERTY PERTAINING THERETO, OR ANY COMBINATION THEREOF.

(2) A PETITION FILED UNDER SUBSECTION (1) OF THIS SECTION SHALL SET FORTH THE FACTS UPON WHICH THE VALIDITY OF SUCH POWER, SECURITIES, TAXES, ASSESSMENTS, CHARGES, ACT, PROCEEDING, OR CONTRACT IS FOUNDED. THE

PRESIDING OFFICER OF THE DISTRICT SHALL VERIFY THE PETITION BEFORE IT IS FILED WITH THE DISTRICT COURT BY SIGNING SAID PETITION.

(3) ANY ACTION FILED UNDER THIS SECTION SHALL BE IN THE NATURE OF A PROCEEDING IN REM. THE DISTRICT COURT SHALL HAVE JURISDICTION OVER ALL PARTIES INTERESTED IN THE PROCEEDING UPON THE PUBLICATION AND POSTING OF A NOTICE IN ACCORDANCE WITH THIS PART 5.

(4) THE CLERK OF THE DISTRICT COURT IN WHICH A PETITION IS FILED SHALL PROVIDE NOTICE OF SUCH FILING. THE NOTICE SHALL INCLUDE: A BRIEF OUTLINE OF THE CONTENTS OF THE PETITION; THE TIME, DATE, AND LOCATION OF THE HEARING; AND THE LOCATION WHERE A COMPLETE COPY OF ANY DOCUMENTS AT ISSUE IN THE PETITION MAY BE EXAMINED. THE CLERK SHALL SERVE THE NOTICE BY:

(a) PUBLISHING THE NOTICE AT LEAST ONCE A WEEK FOR FIVE CONSECUTIVE WEEKS BY FIVE WEEKLY INSERTIONS IN A NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTIES AND MUNICIPALITIES IN WHICH THE DISTRICT IS LOCATED; AND

(b) POSTING THE NOTICE IN THE OFFICE OF THE DISTRICT AT LEAST THIRTY DAYS PRIOR TO THE DATE OF THE HEARING ON THE PETITION.

(5) ANY OWNER OF PROPERTY WITHIN THE BOUNDARIES OF THE DISTRICT OR ANY OTHER PERSON INTERESTED IN THE PETITION FILED BY THE BOARD MAY APPEAR AT THE HEARING BY EITHER FILING A MOTION TO DISMISS OR AN ANSWER TO THE PETITION AT LEAST FIVE DAYS PRIOR TO THE HEARING DATE OR WITHIN SUCH TIME AS THE COURT MAY ALLOW. THE PETITION SHALL BE TAKEN AS CONFESSED BY ALL PERSONS WHO FAIL TO APPEAR.

(6) THE PETITION AND NOTICE SHALL BE SUFFICIENT TO GIVE THE DISTRICT COURT JURISDICTION, AND, UPON HEARING, THE DISTRICT COURT SHALL EXAMINE AND DETERMINE ALL MATTERS AFFECTING THE QUESTION SUBMITTED, SHALL MAKE SUCH FINDINGS WITH REFERENCE THERETO, AND SHALL RENDER SUCH JUDGMENT AND DECREE THEREON AS THE CASE WARRANTS.

(7) UNLESS OTHERWISE SPECIFIED IN THIS PART 5, THE COLORADO RULES OF CIVIL PROCEDURE SHALL GOVERN ANY ACTIONS FILED UNDER THIS SECTION IN MATTERS OF PLEADING AND PRACTICE.

(8) COSTS MAY BE DIVIDED OR APPORTIONED AMONG ANY CONTESTING PARTIES IN THE DISCRETION OF THE DISTRICT COURT.

(9) REVIEW OF THE JUDGMENT OF THE DISTRICT COURT MAY BE HAD AS IN OTHER SIMILAR CASES; EXCEPT THAT SUCH REVIEW SHALL BE APPLIED FOR WITHIN THIRTY DAYS AFTER THE TIME OF THE RENDITION OF SUCH JUDGMENT OR WITHIN SUCH ADDITIONAL TIME AS MAY BE ALLOWED BY THE COURT WITHIN THIRTY DAYS.

(10) THE DISTRICT COURT SHALL DISREGARD ANY ERROR, IRREGULARITY, OR OMISSION THAT DOES NOT AFFECT THE SUBSTANTIAL RIGHTS OF THE PARTIES.

(11) ALL CASES IN WHICH THERE MAY ARISE A QUESTION OF VALIDITY OF ANY MATTER PROVIDED FOR UNDER THIS SECTION SHALL BE ADVANCED AS A MATTER OF

IMMEDIATE PUBLIC INTEREST AND CONCERN AND SHALL BE HEARD AT THE EARLIEST PRACTICABLE MOMENT.

30-20-533. Exemption from taxation - securities laws. THE INCOME OR OTHER REVENUES OF THE DISTRICT, ANY PROPERTY OWNED BY THE DISTRICT, ANY BONDS ISSUED BY THE DISTRICT, AND THE TRANSFER OF AND ANY INCOME FROM ANY BONDS ISSUED BY THE DISTRICT SHALL BE EXEMPT FROM ALL TAXATION AND ASSESSMENTS BY THE STATE. IN THE RESOLUTION AUTHORIZING THE BONDS, THE DISTRICT MAY WAIVE THE EXEMPTION FROM FEDERAL INCOME TAXATION FOR ANY INTEREST ON THE BONDS.

30-20-534. Limitation of actions. ANY LEGAL OR EQUITABLE ACTION BROUGHT WITH RESPECT TO ANY ACTS OR PROCEEDINGS OF THE DISTRICT, THE CREATION OF A DISTRICT, THE AUTHORIZATION OR ISSUANCE OF ANY BONDS, OR ANY OTHER ACTION TAKEN UNDER THIS PART 5 SHALL COMMENCE WITHIN THIRTY DAYS AFTER THE PERFORMANCE OF SUCH ACTION OR ELSE SHALL BE THEREAFTER PERPETUALLY BARRED.

SECTION 11. 30-20-601, Colorado Revised Statutes, is amended to read:

30-20-601. Power to make local improvements. Any county in this state may construct any of the local improvements mentioned in this part 6 and fund such improvements by assessing the cost thereof, wholly or in part, upon the property especially benefited by such improvements or, for the funding of improvements authorized by section 30-20-603 (1) (a) AND (1) (c), by imposing a sales tax throughout the district or by utilizing a combination of such assessments and tax. The improvements shall be authorized by resolution duly adopted and shall be constructed under the direction of the county engineer or other officer having similar duties or under the direction of the board of county commissioners in accordance with plans and specifications adopted by the board of county commissioners.

SECTION 12. 30-20-602, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

30-20-602. Definitions. As used in this part 6, unless the context otherwise requires:

(2.7) "ELECTOR OF THE DISTRICT" MEANS A PERSON WHO, AT THE DESIGNATED TIME OR EVENT, IS REGISTERED TO VOTE IN THE GENERAL ELECTION IN THIS STATE; AND

(a) WHO HAS BEEN A RESIDENT OF THE DISTRICT OR THE AREA TO BE INCLUDED IN THE DISTRICT FOR NOT LESS THAN THIRTY DAYS; OR

(b) WHO OR WHOSE SPOUSE OWNS TAXABLE REAL OR PERSONAL PROPERTY WITHIN THE DISTRICT OR THE AREA TO BE INCLUDED IN THE DISTRICT WHETHER OR NOT SAID PERSON RESIDES WITHIN THE DISTRICT.

(4.5) "REGISTERED ELECTOR" MEANS AN ELECTOR, AS DEFINED IN SECTION 1-1-104 (12), C.R.S., WHO HAS COMPLIED WITH THE REGISTRATION PROVISIONS OF THE "UNIFORM ELECTION CODE OF 1965", ARTICLES 1 TO 13 OF TITLE 1, C.R.S., AND WHO

RESIDES WITHIN OR IS ELIGIBLE TO VOTE IN THE COUNTY.

SECTION 13. 30-20-603 (1), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

30-20-603. Improvements authorized - how instituted - conditions. (1) (c) IF ANY IMPROVEMENT AUTHORIZED BY THIS SUBSECTION (1) IS FUNDED BY SALES TAX, THE TAX MAY ALSO BE USED FOR THE OPERATION AND MAINTENANCE OF SUCH IMPROVEMENT.

SECTION 14. 30-20-604.5 (1), (4), (5), and (6), Colorado Revised Statutes, are amended, and the said 30-20-604.5 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

30-20-604.5. District sales tax. (1) The board of any county having a population greater than one hundred thousand, for the purpose of funding all or a portion of the cost of any improvements constructed pursuant to section 30-20-603 (1) (a) AND (1) (c), may levy a sales tax throughout the district upon every transaction or other incident with respect to which a sales tax is authorized pursuant to section 29-2-105, C.R.S.; except that such tax may be levied only upon those transactions specified in section 39-26-104 (1) (a), (1) (b), (1) (e), and (1) (f), C.R.S.

(4) (a) A proposal for a districtwide sales tax shall be referred to the registered electors of the county who reside within the boundaries of the district, either by resolution of the board or by petition initiated and signed by five percent of the registered electors who reside within the boundaries of the district.

(b) Such proposal shall contain a description of the proposed tax, including its purposes, and shall state the amount of tax to be imposed.

(c) (I) ~~A proposal for such sales tax by resolution of the board shall be submitted at the next regular general election if there is one scheduled within one hundred twenty days of the adoption of the resolution. If no general election is scheduled within such time, the board, in its resolution, shall submit the same at a special election called for that purpose, to be held not more than ninety days after the adoption of such resolution.~~ ANY ELECTION HELD UNDER THIS SECTION SHALL CONFORM TO THE REQUIREMENTS OF SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION.

(II) Upon its being presented with a petition requesting a proposal for such sales tax, the board, upon certification of the signatures on the petition, shall submit such proposal to the registered electors residing within the district. ~~The proposal shall be submitted at the next regular general election if there is one scheduled within one hundred twenty days of the filing of the petition. If no general election is scheduled within such time, the board shall submit such proposal at a special election called for that purpose, to be held not more than ninety days after the date of filing of the petition.~~

(d) ~~Upon the adoption of a resolution by the board or upon the filing of a proper petition, the county clerk and recorder shall publish, not more than forty-five days prior to the election, the text of such proposal for a sales tax four separate times, a~~

~~week apart, in a newspaper of general circulation within the district. The conduct of the election shall conform, so far as practicable, to the general election laws of the state.~~

(e) (I) If approved by a majority of the registered electors voting thereon, the sales tax shall become effective as provided in section 29-2-106 (2), C.R.S.

~~(II) If a majority of the registered electors voting thereon fail to approve the sales tax, the question shall not be submitted again to such electors for a period of one year after the date of said election.~~

(5) All revenue collected from such sales tax, except the amounts retained under subsection (2) of this section, shall be credited to a special fund designated as the sales tax street improvement fund, such designation to include the name or description of the district. The fund shall be used only to pay the costs of the district improvements authorized by section 30-20-603 (1) (a) AND (1) (c), the costs of debt service on bonds issued pursuant to section 30-20-619 (4), if any, or both of such costs.

(6) (a) When the total cost of the improvements constructed pursuant to section 30-20-603 (1) (a), including the cost of all debt service thereon, if any, has been paid, the board shall cease to levy and collect the sales tax originally imposed pursuant to this section and shall repeal the ordinance authorizing such tax.

(b) NOTWITHSTANDING PARAGRAPH (a) OF THIS SUBSECTION (6), IF AN IMPROVEMENT INCLUDES THE USE OF SALES TAX FOR THE IMPROVEMENT'S OPERATION OR MAINTENANCE, THE BOARD SHALL CONTINUE TO LEVY AND COLLECT THE SALES TAX AS SPECIFIED IN THE RESOLUTION AUTHORIZING SUCH TAX.

(8) NOTWITHSTANDING SUBSECTION (7) OF THIS SECTION, THAT PORTION OF THE SALES TAX AUTHORIZED BY THIS SECTION THAT IS USED FOR THE OPERATION OR MAINTENANCE OF IMPROVEMENTS CONSTRUCTED PURSUANT TO SECTION 30-20-603 (1) SHALL NOT APPLY TO ANY TERRITORY WITHIN A DISTRICT THAT HAS BEEN ANNEXED BY OR INCORPORATED INTO A MUNICIPALITY.

SECTION 15. 30-20-619 (4) and (5), Colorado Revised Statutes, are amended to read:

30-20-619. Issuing bonds - property specially benefited. (4) For the purpose of paying all or such portion of the costs of any improvement constructed pursuant to section 30-20-603 (1) (a) AND (1) (c) to which the revenues from any sales tax imposed pursuant to section 30-20-604.5 have been pledged, revenue bonds may be issued, which shall be payable solely from such sales tax. Such bonds shall be issued on the terms set forth in section 29-2-112, C.R.S.

(5) In connection with the issuance of bonds payable solely from special assessments as provided in subsection (1) of this section, the board may provide by resolution for the submission of the question of issuing such bonds to the ~~registered~~ electors eligible to vote on the question. In that case, the board may provide by resolution that all registered electors of the county shall be eligible to vote on the question or that only registered electors ~~who are owners of property within or~~

~~residents~~ of the district shall be eligible to vote on the question.

SECTION 16. 31-25-501, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

31-25-501. Definitions. As used in this part 5, unless the context otherwise requires:

(1.7) "ELECTOR OF THE DISTRICT" MEANS A PERSON WHO, AT THE DESIGNATED TIME OR EVENT, IS REGISTERED TO VOTE IN THE GENERAL ELECTION IN THIS STATE; AND

(a) WHO HAS BEEN A RESIDENT OF THE DISTRICT OR THE AREA TO BE INCLUDED IN THE DISTRICT FOR NOT LESS THAN THIRTY DAYS; OR

(b) WHO OR WHOSE SPOUSE OWNS TAXABLE REAL OR PERSONAL PROPERTY WITHIN THE DISTRICT OR THE AREA TO BE INCLUDED IN THE DISTRICT WHETHER OR NOT SAID PERSON RESIDES WITHIN THE DISTRICT.

SECTION 17. 31-25-534 (3), Colorado Revised Statutes, is amended to read:

31-25-534. Issuing bonds - property specially benefited. (3) In connection with the issuance of bonds payable solely from special assessments, the governing body of the municipality may provide by ordinance or resolution for the submission of the question of issuing such bonds to the ~~registered~~ electors eligible to vote on the question. The governing body of the municipality may provide by ordinance or resolution that all registered electors of the municipality shall be eligible to vote on the question or that only ~~registered~~ electors ~~who are owners of property within or residents~~ of the district shall be eligible to vote on the question.

SECTION 18. 31-25-602 (1), Colorado Revised Statutes, is amended to read:

31-25-602. Definitions. As used in this part 6, unless the context otherwise requires:

(1) "District" means an improvement district ~~which~~ THAT is a taxing unit and ~~which~~ THAT may be created ~~within~~ BY any municipality in this state for the purpose of acquiring, constructing, ~~or installing, therein~~ OPERATING, OR MAINTAINING any public improvement ~~including parking and off-street parking facilities but excepting electric light or gas systems or plants~~ OR FOR THE PURPOSE OF PROVIDING ANY SERVICE SO LONG AS THE MUNICIPALITY THAT FORMS THE DISTRICT IS AUTHORIZED TO PERFORM SUCH SERVICE OR PROVIDE SUCH IMPROVEMENT UNDER THE MUNICIPALITY'S HOME RULE CHARTER, IF ANY, OR THE LAWS OF THIS STATE. "PUBLIC IMPROVEMENT" OR "SERVICE" SHALL NOT INCLUDE ANY FACILITY IDENTIFIED IN SECTION 30-20-101 (8) OR (9), NOR SHALL THE TERMS INCLUDE SERVICES IDENTIFIED IN SECTION 30-15-401 (4) TO (7.7) UNLESS THE DISTRICT PROVIDES SUCH SERVICES CONSISTENT WITH PART 4 OF ARTICLE 15 OF TITLE 30. No such improvement or facility shall duplicate or interfere with any municipal improvement already constructed or planned to be constructed within the limits of such district.

SECTION 19. 31-25-603, Colorado Revised Statutes, is amended to read:

31-25-603. Authority of governing body. (1) The governing body of a municipality is hereby vested with jurisdiction, power, and authority to establish districts within the municipality in which the improvement is to be acquired, constructed, ~~or~~ installed, OPERATED, OR MAINTAINED OR THE SERVICE IS TO BE PROVIDED. THE GOVERNING BODY OF A MUNICIPALITY MAY ESTABLISH A DISTRICT PARTIALLY WITHIN THE BOUNDARIES OF ANY OTHER MUNICIPALITY OR WITHIN THE UNINCORPORATED TERRITORY OF A COUNTY IF SUCH MUNICIPALITY OR COUNTY CONSENTS BY RESOLUTION TO THE ESTABLISHMENT OF SUCH DISTRICT. NO SUCH DISTRICT MAY PROVIDE THE SAME IMPROVEMENT OR SERVICE AS AN EXISTING SPECIAL DISTRICT WITHIN THE TERRITORY OF SUCH EXISTING SPECIAL DISTRICT UNLESS THE EXISTING SPECIAL DISTRICT CONSENTS.

(2) IF A MUNICIPALITY OTHER THAN THE MUNICIPALITY THAT ESTABLISHED THE DISTRICT ANNEXES OR INCORPORATES ANY TERRITORY WITHIN AN ESTABLISHED DISTRICT, SUCH TERRITORY SHALL REMAIN IN THE DISTRICT UNLESS THE MUNICIPALITY NOTIFIES THE DISTRICT'S BOARD OF THE MUNICIPALITY'S INTENT TO EXCLUDE THE TERRITORY ANNEXED OR INCORPORATED FROM THE DISTRICT. IF THE MUNICIPALITY NOTIFIES THE BOARD OF ITS INTENT TO EXCLUDE SUCH TERRITORY, SUCH EXCLUSION SHALL TAKE EFFECT JANUARY 1 OF THE YEAR FOLLOWING SUCH NOTICE. ANY PROPERTY EXCLUDED FROM THE DISTRICT UNDER THIS SUBSECTION (2) SHALL REMAIN SUBJECT TO PAYMENT OF ITS SHARE OF ANY INDEBTEDNESS OR BONDS THAT ARE OUTSTANDING ON THE DATE OF SUCH EXCLUSION.

SECTION 20. 31-25-604 (1) and (2), Colorado Revised Statutes, are amended to read:

31-25-604. Organization petition - contents. (1) The organization of a district shall be initiated by a petition filed in the office of the clerk of the governing body vested with jurisdiction. The petition shall be signed by not less than ~~a majority of those registered electors of the municipality who own real or personal property in the district. At the time of filing the petition, any fee title owners of any real or personal property located within the limits of the proposed district who are not registered electors of the municipality may file their consent, in writing, to the inclusion of their }property in the district. The registered electors signing the petition, together with the owners of property within the district who have signed a consent to inclusion, shall own real or personal property in the district having a valuation for assessment of not less than one-half of the valuation for assessment of all the real and personal property in said district~~ THIRTY PERCENT OR TWO HUNDRED OF THE ELECTORS OF THE PROPOSED DISTRICT, WHICHEVER IS LESS. After the filing of a petition, ~~or a consent to inclusion~~, no signer shall be permitted to withdraw his OR HER name from the petition.

(2) The petition shall set forth:

(a) The name of the proposed district, which shall include the name of the municipality ~~in which the district is proposed~~ CREATING THE DISTRICT, a descriptive name or number, and the words "general improvement district";

(b) A general description of the improvements to be acquired, constructed, ~~or~~ installed, OPERATED, OR MAINTAINED OR THE SERVICES TO BE PROVIDED within and for the district;

(c) The estimated cost of the proposed improvements OR THE ESTIMATED ANNUAL COST OF PROVIDING THE PROPOSED SERVICES;

(d) A general description of the boundaries of the district or the territory to be included therein with such certainty as to enable a property owner to determine whether or not his OR HER property is within the district;

(e) The names of three ~~registered~~ electors OF THE DISTRICT who shall represent the petitioners and who have the power to enter into agreements relating to the organization of the district, which agreements shall be binding on the district, if created;

(f) A request for the organization of the district; AND

(g) A STATEMENT THAT EITHER:

(I) THE BOUNDARIES OF THE PROPOSED DISTRICT INCLUDE AT LEAST ONE HUNDRED ELECTORS OF THE DISTRICT;

(II) THE BOUNDARIES OF THE PROPOSED DISTRICT INCLUDE AT LEAST ONE ELECTOR OF THE DISTRICT FOR EACH FIVE ACRES OF LAND INCLUDED WITHIN THE PROPOSED DISTRICT; OR

(III) THE PETITION IS SIGNED BY ONE HUNDRED PERCENT OF THE OWNERS OF TAXABLE REAL PROPERTY TO BE INCLUDED IN THE PROPOSED DISTRICT.

SECTION 21. 31-25-606 (1) and (3), Colorado Revised Statutes, are amended to read:

31-25-606. Notice of hearing. (1) Except as provided in section 31-25-607 (3.5), as soon as possible after the filing of such petition, the governing body shall fix by order a place and time, not less than twenty days nor more than forty days after the petition is filed, for a hearing thereon. Thereupon the clerk of the governing body shall cause notice by publication to be made of the pendency of the petition, of the purposes and boundaries of the proposed district, and of the time and place of hearing thereon. The clerk shall also cause a copy of said notice to be mailed to each ~~registered~~ elector of the district at ~~his~~ THE ELECTOR'S last-known address, as disclosed by the tax and official voter registration records of the ~~county~~ COUNTIES in which said ~~municipality is located~~ DISTRICT IS PROPOSED TO BE LOCATED.

(3) The notice of hearing on the petition shall set forth the fact that all the property in the district is subject to the lien of the indebtedness, IF ANY, and shall set forth the amount of the proposed indebtedness, IF ANY.

SECTION 22. 31-25-607 (1), (2), (3.5), and (4), Colorado Revised Statutes, are amended to read:

31-25-607. Hearing - dismissal - findings - declaration - when action barred. (1) On the day fixed for such hearing or at any adjournment thereof OR, IF THE HEARING IS WAIVED UNDER SUBSECTION (3.5) OF THIS SECTION, AT ANY MEETING AT WHICH AN ORDINANCE CREATING A DISTRICT IS CONSIDERED, the governing body shall

ascertain from the tax rolls of the counties in which the district is located, from the last official registration list and from such other evidence which may be adduced, the total number of ~~registered~~ electors of the district and the total valuation for assessment of the real and personal property therein.

(2) If it appears that said petition is not signed by at least a ~~majority of those registered electors of the municipality who own real or personal property in the district and by registered electors who, together with the owners of property within the district who have signed a consent to inclusion, own property therein having a valuation for assessment of not less than one-half of the valuation for assessment of all the real and personal property in said district~~ THE NUMBER OF ELECTORS REQUIRED UNDER SECTION 31-25-604 (1) or if it is shown that the proposed improvement OR SERVICE will not confer a general benefit on the district or that the cost of the improvement OR SERVICE would be excessive as compared with the value of the property in the district, the governing body shall dismiss the petition and adjudge the cost against those executing the bond filed to pay such costs. No appeal or other remedy shall lie from an order dismissing said proceeding. Nothing in this section shall prevent the filing of subsequent petitions for similar improvements OR SERVICES or for a similar district. The right so to renew such proceeding is hereby expressly granted and authorized.

(3.5) If the petition for organizing a district is signed by one hundred percent of the ~~electors of~~ OWNERS OF TAXABLE REAL PROPERTY TO BE INCLUDED IN the district and contains a request for such waiver, the governing body may, at its discretion, waive all or any of the requirements for notice, publication, and a hearing set forth in this section and in section 31-25-606.

(4) (a) Upon the hearing if required, or without a hearing pursuant to subsection (3.5) of this section, if it appears that a petition for the organization of a district has been duly signed and presented in conformity with this part 6 and that the allegations of the petition are true, the governing body, by ordinance duly adopted and made effective, shall adjudicate all questions of jurisdiction ~~declare the district organized, and give it~~ AND MAY ORDER THAT THE QUESTION OF THE ORGANIZATION OF THE DISTRICT AND SUCH OTHER MATTERS AS THE GOVERNING BODY DEEMS APPROPRIATE INCLUDING, BUT NOT LIMITED TO, THE ISSUANCE OF BONDS OR OTHER MATTERS FOR WHICH VOTER APPROVAL IS REQUIRED UNDER SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION, BE SUBMITTED TO THE ELECTORS AT AN ELECTION TO BE HELD FOR THAT PURPOSE IN ACCORDANCE WITH THE PROVISIONS OF ARTICLES 1 TO 13 OF TITLE 1, C.R.S., OR ARTICLE 10 OF THIS TITLE. UNLESS PROVIDED OTHERWISE IN SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION, SUCH ELECTION MAY BE HELD EITHER AT A SPECIAL ELECTION HELD NOT LESS THAN SIXTY DAYS BUT NOT MORE THAN ONE HUNDRED EIGHTY DAYS AFTER THE GOVERNING BODY ADOPTS THE ORDINANCE OR IN CONJUNCTION WITH A REGULAR MUNICIPAL ELECTION, GENERAL ELECTION, BALLOT ISSUE, OR BALLOT QUESTION ELECTION.

(b) AT AN ELECTION HELD UNDER PARAGRAPH (a) OF THIS SUBSECTION (4), THE ELECTORS OF THE DISTRICT SHALL VOTE FOR OR AGAINST THE ORGANIZATION OF THE DISTRICT AND SUCH OTHER MATTERS AS THE GOVERNING BODY DEEMS APPROPRIATE INCLUDING, BUT NOT LIMITED TO, THE ISSUANCE OF BONDS OR MATTERS FOR WHICH VOTER APPROVAL IS REQUIRED UNDER SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION. IF A MAJORITY OF THE VOTES CAST AT THE ELECTION ARE IN FAVOR

OF THE ORGANIZATION, THE GOVERNING BODY SHALL ADOPT AN ORDINANCE DECLARING THE DISTRICT ORGANIZED.

(c) IF A PETITION FILED WITH THE GOVERNING BODY COMPLIES WITH SUBSECTION (3.5) OF THIS SECTION, THE GOVERNING BODY MAY ADOPT AN ORDINANCE DECLARING THE DISTRICT ORGANIZED WITHOUT ANY NOTICE, HEARING, ELECTION, OR FILING OF A BOND.

(d) IF THE GOVERNING BODY ADOPTS AN ORDINANCE IN ACCORDANCE WITH PARAGRAPH (b) OR (c) OF THIS SUBSECTION (4), THE GOVERNING BODY SHALL GIVE THE DISTRICT the corporate name specified in the petition by which, in all proceedings, it shall thereafter be known. The district shall be a public or quasi-municipal subdivision of this state and a body corporate with the limited proprietary powers set forth in this part 6.

(e) NOTHING IN THIS SUBSECTION (4) AUTHORIZES A GOVERNING BODY TO WAIVE AN ELECTION OTHERWISE REQUIRED UNDER SECTION 20 OF ARTICLE X AND SECTION 6 OF ARTICLE XI OF THE COLORADO CONSTITUTION OR TO HOLD AN ELECTION INCONSISTENT WITH THE ELECTION REQUIREMENTS IN SAID SECTION 20.

SECTION 23. 31-25-611 (1) (e), (1) (f), (1) (g), and (1) (h), Colorado Revised Statutes, are amended, and the said 31-25-611 (1) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

31-25-611. General powers of district. (1) The district has the following limited powers:

(e) To borrow money and incur GENERAL OBLIGATION indebtedness and evidence the same by BONDS, certificates, warrants, notes, and debentures and to issue ~~negotiable coupon~~ REVENUE bonds OR SPECIAL ASSESSMENT BONDS in accordance with the provisions of this part 6;

(f) To acquire, construct, install, ~~and~~ operate, AND MAINTAIN the improvements OR PROVIDE THE SERVICES contemplated by this part 6, INCLUDING IMPROVEMENTS LOCATED OUTSIDE THE BOUNDARIES OF THE DISTRICT, and all property, rights, or interests incidental or appurtenant thereto and to dispose of real and personal property and any interest therein, including leases and easements in connection therewith;

(g) To refund any ~~bonded~~ GENERAL OBLIGATION indebtedness, REVENUE BONDS, OR SPECIAL ASSESSMENT BONDS of the district without an election; otherwise, the terms and conditions of refunding bonds shall be substantially the same as those of an original issue of bonds of the district;

(h) To have the management, control, and supervision of all the business and affairs of the district and of the acquisition, construction, installation, ~~and~~ operation, AND MAINTENANCE of district improvements ~~therein~~ OR THE PROVISION OF SERVICES;

(n) TO CONDUCT AN ELECTION IN ACCORDANCE WITH ARTICLES 1 TO 13 OF TITLE 1, C.R.S., OR ARTICLE 10 OF THIS TITLE FOR ANY PURPOSE THE BOARD DEEMS NECESSARY OR REQUIRED.

SECTION 24. Part 6 of article 25 of title 31, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

31-25-611.5. Special improvement districts - authority to establish. IN ORDER TO DEFRAY ALL OR ANY PORTION OF THE COSTS OF THE IMPROVEMENTS OR SERVICES PROVIDED BY THE DISTRICT, THE BOARD MAY ESTABLISH SPECIAL IMPROVEMENT DISTRICTS WITHIN THE BOUNDARIES OF THE DISTRICT IN ACCORDANCE WITH PART 5 OF THIS ARTICLE. SUCH SPECIAL IMPROVEMENT DISTRICTS MAY BE ESTABLISHED WHENEVER THE BOARD DETERMINES THAT PROPERTY IN THE DISTRICT WILL BE ESPECIALLY BENEFITTED BY SUCH IMPROVEMENTS OR SERVICES. THE METHOD OF CREATING SPECIAL IMPROVEMENT DISTRICTS, MAKING THE IMPROVEMENTS OR PROVIDING THE SERVICES, AND ASSESSING THE COSTS THEREOF SHALL BE AS PROVIDED IN PART 5 OF THIS ARTICLE. HOWEVER, THE ELECTORS ELIGIBLE TO VOTE ON ANY QUESTION UNDER THIS SECTION SHALL EITHER BE ELECTORS OF THE DISTRICT OR ELECTORS WITHIN THE LOCAL IMPROVEMENT DISTRICT, AS DETERMINED BY THE BOARD. IN ADDITION, THE BOARD SHALL PERFORM THE DUTIES OF THE GOVERNING BODY SET FORTH IN PART 5 OF THIS ARTICLE, AND THE SECRETARY OF THE DISTRICT SHALL PERFORM THE DUTIES OF THE CLERK SET FORTH IN PART 5 OF THIS ARTICLE. THE IMPROVEMENTS THAT THE SPECIAL IMPROVEMENT DISTRICT MAY CONSTRUCT AND THE SERVICES THAT THE SPECIAL IMPROVEMENT DISTRICT MAY PROVIDE SHALL BE THE IMPROVEMENTS AND SERVICES THAT THE DISTRICT MAY PROVIDE PURSUANT TO THIS PART 6.

SECTION 25. 31-25-613, Colorado Revised Statutes, is amended to read:

31-25-613. Determining and fixing rate of levy. The board shall determine the amount of money necessary to be raised by a levy on the taxable property in the district, taking into consideration other sources of revenue of the district, and shall fix a rate of levy which, when levied upon every dollar of the valuation for assessment of taxable property within the district and with other revenues, shall raise the amount required by the district during the ensuing fiscal year to supply funds for paying expenses of organization and the costs of ACQUIRING, constructing, installing, ~~and~~ operating, AND MAINTAINING the improvements or works of the district OR PROVIDING THE SERVICES OF THE DISTRICT and promptly to pay in full when due all interest on and principal of GENERAL OBLIGATION bonds, INDEBTEDNESS, and other obligations of the district. In the event of accruing defaults or deficiencies, additional levies may be made as provided in section 31-25-614. In accordance with the schedule prescribed by section 39-5-128, C.R.S., the board shall certify to the board of county commissioners of each county in which the district or a portion thereof lies the rate so fixed in order that, at the time and in the manner required by law for the levying of taxes, such board of county commissioners shall levy such tax upon the valuation for assessment of all taxable property within the district.

SECTION 26. 31-25-620 (1), Colorado Revised Statutes, is amended to read:

31-25-620. Board can issue bonds - form. (1) To carry out the purposes of this part 6, the board is hereby authorized to issue ~~negotiable coupon~~ bonds of the district. Such bonds shall bear interest at a rate such that the net effective interest rate of the issue of bonds does not exceed the maximum net effective interest rate authorized, payable ~~semiannually~~ AT SUCH TIMES AS DETERMINED BY THE BOARD, and shall be due and payable ~~serially, either annually or semiannually, commencing not later than~~

~~three years and~~ IN INSTALLMENTS AT SUCH TIMES AS DETERMINED BY THE BOARD extending not more than twenty years from date of issuance. The form and terms of said bonds, including provisions for their sale, payment, and redemption, shall be determined by the board. TO THE EXTENT REQUIRED BY SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION, SUCH BONDS SHALL NOT BE ISSUED UNLESS FIRST APPROVED AT AN ELECTION HELD FOR THAT PURPOSE IN ACCORDANCE WITH ARTICLES 1 TO 13 OF TITLE 1, C.R.S., OR ARTICLE 10 OF THIS TITLE. If the board so determines, such bonds may be redeemable prior to maturity, with or without payment of a premium, but no premium shall exceed three percent of the principal thereof. The bonds shall be executed in the name of and on behalf of the district and signed by the presiding officer of the board with the seal of the district affixed thereto and attested by the secretary of the board. Such bonds shall be in such denominations as the board shall determine. ~~and the bonds and coupons thereto attached shall be payable to bearer.~~ Interest coupons, IF ANY, shall bear the original or facsimile signature of the presiding officer of the board. Under no circumstances shall any of said bonds be held to be an indebtedness, obligation, or liability of the ~~municipality~~ MUNICIPALITIES OR COUNTIES in which the district is located, and bonds issued pursuant to the provisions of this part 6 shall contain a statement to that effect.

SECTION 27. Part 6 of article 25 of title 31, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SECTIONS to read:

31-25-631. Confirmation of board actions and powers. (1) IN ITS DISCRETION, THE BOARD MAY FILE A PETITION AT ANY TIME IN THE DISTRICT COURT IN ANY COUNTY IN WHICH THE DISTRICT OR A PORTION THEREOF IS LOCATED FOR A JUDICIAL EXAMINATION AND DETERMINATION OF ANY POWER CONFERRED, ANY SECURITIES ISSUED BY THE DISTRICT OR AUTHORIZED TO BE ISSUED BY THE DISTRICT, ANY TAXES, ASSESSMENTS, OR SERVICE CHARGES LEVIED OR OTHERWISE MADE BY THE DISTRICT OR CONTRACTED TO BE LEVIED BY THE DISTRICT OR OTHERWISE MADE BY THE DISTRICT, OR OF ANY OTHER ACT, PROCEEDING, OR CONTRACT OF THE DISTRICT WHETHER OR NOT SUCH ACT, PROCEEDING, OR CONTRACT HAS BEEN TAKEN OR EXECUTED, INCLUDING PROPOSED CONTRACTS FOR ANY IMPROVEMENT, PROPOSED SECURITIES OF THE DISTRICT TO DEFRAY IN WHOLE OR IN PART THE COST OF THE PROJECT, THE PROPOSED ACQUISITION, IMPROVEMENT, EQUIPMENT, MAINTENANCE, OPERATION, OR DISPOSAL OF ANY PROPERTY PERTAINING THERETO, OR ANY COMBINATION THEREOF.

(2) A PETITION FILED UNDER SUBSECTION (1) OF THIS SECTION SHALL SET FORTH THE FACTS UPON WHICH THE VALIDITY OF SUCH POWER, SECURITIES, TAXES, ASSESSMENTS, CHARGES, ACT, PROCEEDING, OR CONTRACT IS FOUNDED. THE PRESIDING OFFICER OF THE DISTRICT SHALL VERIFY THE PETITION BEFORE IT IS FILED WITH THE DISTRICT COURT BY SIGNING SAID PETITION.

(3) ANY ACTION FILED UNDER THIS SECTION SHALL BE IN THE NATURE OF A PROCEEDING IN REM. THE DISTRICT COURT SHALL HAVE JURISDICTION OVER ALL PARTIES INTERESTED IN THE PROCEEDING UPON THE PUBLICATION AND POSTING OF A NOTICE IN ACCORDANCE WITH THIS PART 6.

(4) THE CLERK OF THE DISTRICT COURT IN WHICH A PETITION IS FILED SHALL PROVIDE NOTICE OF SUCH FILING. THE NOTICE SHALL INCLUDE A BRIEF OUTLINE OF THE CONTENTS OF THE PETITION; THE TIME, DATE, AND LOCATION OF THE HEARING;

AND THE LOCATION WHERE A COMPLETE COPY OF ANY DOCUMENTS AT ISSUE IN THE PETITION MAY BE EXAMINED. THE CLERK SHALL SERVE THE NOTICE BY:

(a) PUBLISHING THE NOTICE AT LEAST ONCE A WEEK FOR FIVE CONSECUTIVE WEEKS BY FIVE WEEKLY INSERTIONS IN A NEWSPAPER OF GENERAL CIRCULATION IN THE MUNICIPALITIES AND COUNTIES IN WHICH THE DISTRICT IS LOCATED; AND

(b) POSTING THE NOTICE IN THE OFFICE OF THE DISTRICT AT LEAST THIRTY DAYS PRIOR TO THE DATE OF THE HEARING ON THE PETITION.

(5) ANY OWNER OF PROPERTY WITHIN THE BOUNDARIES OF THE DISTRICT OR ANY OTHER PERSON INTERESTED IN THE PETITION FILED BY THE BOARD MAY APPEAR AT THE HEARING BY EITHER FILING A MOTION TO DISMISS OR AN ANSWER TO THE PETITION AT LEAST FIVE DAYS PRIOR TO THE HEARING DATE OR WITHIN SUCH TIME AS THE COURT MAY ALLOW. THE PETITION SHALL BE TAKEN AS CONFESSED BY ALL PERSONS WHO FAIL TO APPEAR.

(6) THE PETITION AND NOTICE SHALL BE SUFFICIENT TO GIVE THE DISTRICT COURT JURISDICTION, AND, UPON HEARING, THE DISTRICT COURT SHALL EXAMINE AND DETERMINE ALL MATTERS AFFECTING THE QUESTION SUBMITTED, SHALL MAKE SUCH FINDINGS WITH REFERENCE THERETO, AND SHALL RENDER SUCH JUDGMENT AND DECREE THEREON AS THE CASE WARRANTS.

(7) UNLESS OTHERWISE SPECIFIED IN THIS PART 6, THE COLORADO RULES OF CIVIL PROCEDURE SHALL GOVERN ANY ACTIONS FILED UNDER THIS SECTION IN MATTERS OF PLEADING AND PRACTICE.

(8) COSTS MAY BE DIVIDED OR APPORTIONED AMONG ANY CONTESTING PARTIES IN THE DISCRETION OF THE DISTRICT COURT.

(9) REVIEW OF THE JUDGMENT OF THE DISTRICT COURT MAY BE HAD AS IN OTHER SIMILAR CASES; EXCEPT THAT SUCH REVIEW SHALL BE APPLIED FOR WITHIN THIRTY DAYS AFTER THE TIME OF THE RENDITION OF SUCH JUDGMENT OR WITHIN SUCH ADDITIONAL TIME AS MAY BE ALLOWED BY THE COURT WITHIN THIRTY DAYS.

(10) THE DISTRICT COURT SHALL DISREGARD ANY ERROR, IRREGULARITY, OR OMISSION THAT DOES NOT AFFECT THE SUBSTANTIAL RIGHTS OF THE PARTIES.

(11) ALL CASES IN WHICH THERE MAY ARISE A QUESTION OF VALIDITY OF ANY MATTER PROVIDED FOR UNDER THIS SECTION SHALL BE ADVANCED AS A MATTER OF IMMEDIATE PUBLIC INTEREST AND CONCERN AND SHALL BE HEARD AT THE EARLIEST PRACTICABLE MOMENT.

31-25-632. Exemption from taxation - securities laws. THE INCOME OR OTHER REVENUES OF THE DISTRICT, ANY PROPERTY OWNED BY THE DISTRICT, ANY BONDS ISSUED BY THE DISTRICT, AND THE TRANSFER OF AND ANY INCOME FROM ANY BONDS ISSUED BY THE DISTRICT SHALL BE EXEMPT FROM ALL TAXATION AND ASSESSMENTS BY THE STATE. IN THE RESOLUTION AUTHORIZING THE BONDS, THE DISTRICT MAY WAIVE THE EXEMPTION FROM FEDERAL INCOME TAXATION FOR ANY INTEREST ON THE BONDS.

31-25-633. Limitation of actions. ANY LEGAL OR EQUITABLE ACTION BROUGHT WITH RESPECT TO ANY ACTS OR PROCEEDINGS OF THE DISTRICT, THE CREATION OF A DISTRICT, THE AUTHORIZATION OR ISSUANCE OF ANY BONDS, OR ANY OTHER ACTION TAKEN UNDER THIS PART 6 SHALL BE COMMENCED WITHIN THIRTY DAYS AFTER THE PERFORMANCE OF SUCH ACTION OR ELSE SHALL BE THEREAFTER PERPETUALLY BARRED.

SECTION 28. Repeal. 30-20-508.1, 30-20-523, 30-20-524, 30-20-525, 30-20-526, 31-25-621, 31-25-622, 31-25-623, and 31-25-624, Colorado Revised Statutes, are repealed.

SECTION 29. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 30, 1999