

**358C.19 Annexation by a city.**

When a city or real estate improvement district proposes that the district be annexed by the city, either wholly or partially, an owner of property in the district shall not object to the annexation if a city annexes all the territory within the boundaries of a real estate improvement district, the district shall merge with the city and the city shall succeed to all the property and property rights of every kind, contracts, and obligations, held by or belonging to the district, and the city shall be liable for and recognize, assume, and carry out all valid contracts and obligations of the district. The city may assume and provide for the payment of the obligations of any bonds of the district by issuing general obligation, special assessment, or revenue refunding bonds which may be sold at public or private sale or exchanged for outstanding bonds. General obligation bonds of the city may be issued to refund special assessment and revenue obligations if the governing body of the city determines that it is in the best interest of the city. The refunding of these obligations shall constitute an essential corporate purpose under section 384.24. All taxes, assessments, claims, and demands of every kind due or owing to the district shall be paid to and collected by the city. Any special assessments which the district was authorized to levy, assess, relevel, or reassess, but which were not levied, assessed, relevelled, or reassessed, at the time of the merger, for improvements made by the district or in the process of construction or contracted for may be levied, assessed, relevelled, or reassessed by the annexing city to the same extent as the district may have levied or assessed but for the merger. However, this section does not authorize the annexing city to revoke any resolution, order, or finding made by the district in regard to special benefits or increase any assessments made by the district, but the city shall be bound by all findings or orders and assessments to the same extent as the district would be bound. Also, a district shall not levy any special assessments after the effective date of the annexation.

95 Acts, ch 200, §19