

**357H.10 Dissolution of zone.**

1. Prior to the date required for dissolution under [subsection 2](#), a rural improvement zone may be dissolved upon the adoption of a resolution of the board of trustees which specifies that all improvements have been made in the zone, the need for the zone, as identified under [section 357H.2, subsection 1](#), has been satisfied, and all indebtedness has been paid.

2. *a.* Unless dissolved by resolution of the board of trustees under [subsection 1](#), or an extension is approved under paragraph “*b*”, each rural improvement zone is dissolved on June 30, 2019, or twenty years after the first day of the fiscal year following the fiscal year in which the zone first receives revenue from the division of taxes under [section 357H.9](#), whichever date is later.

*b.* The date required under [this subsection](#) for dissolution of a rural improvement zone may be extended by resolution of the board adopted prior to the date required for dissolution under paragraph “*a*” or a date prior to the date to which the rural improvement zone was previously extended by the board under this paragraph “*b*” or by operation of law under subparagraph (1). Each extension approved by the board under this paragraph “*b*” shall be for a period of twenty years. Prior to approval of an extension by the board under this paragraph “*b*”, all of the following requirements shall be met:

(1) Not more than forty-eight months nor less than thirty-six months prior to the date required for dissolution, the board of trustees shall file a written request with the board for an extension of the zone’s dissolution date. The request shall state the improvements needed in the rural improvement zone beyond the dissolution date otherwise required under [this section](#). The board shall, within ninety days after receiving the request, either adopt a resolution granting the twenty-year extension without further proceedings or notify the board of trustees in writing of the board’s intent to review the zone’s dissolution date under subparagraphs (2) through (4). The board may, as part of its notice to the board of trustees, request a report prepared by a licensed professional engineer containing all of the information required under [section 357H.2, subsection 1](#). If the board fails to either approve the extension by resolution or notify the board of trustees of the board’s intent to review the zone’s dissolution date under subparagraphs (2) through (4) within the ninety-day period, the request for a twenty-year extension shall be deemed approved.

(2) Following receipt of the board’s notice of intent to review and not less than twenty-four months prior to the date required for dissolution, the board of trustees shall, if requested by the board under subparagraph (1), submit to the board a report prepared by a licensed professional engineer that includes the information required under [section 357H.2, subsection 1](#), paragraph “*a*”. If the board determined that the engineer’s report does not substantially meet the requirements of [section 357H.2](#) or that additional relevant information is needed, the board may, within thirty days of the date the request was filed under subparagraph (1), request additional information from the board of trustees. The board shall be limited to one request for additional information.

(3) Not more than sixty days after receiving the engineer’s report required or the additional information requested under subparagraph (2), whichever is later, the board shall hold a public hearing to determine the need for improvements in the rural improvement zone. Notice of hearing shall be given by publication as provided in [section 331.305](#). Holding a public hearing pursuant to this subparagraph is not dispositive of the approval or denial of a request for an extension of the dissolution date by the board under [this chapter](#).

(4) Within thirty days after the public hearing, the board shall either find a need for improvements in the rural improvement zone and adopt a resolution approving the twenty-year extension or find that the area is no longer in need of improvements. If the board fails to either approve or deny the extension within the thirty-day period, the request for a twenty-year extension is deemed approved.

3. Upon dissolution of the zone, all assets shall be deeded or otherwise transferred to a nonprofit corporation whose members are property owners of the improvement zone.

4. Upon dissolution of the zone, the collection of the property tax authorized under [section](#)

357H.8, subsection 4, and the division of taxes authorized under section 357H.9 shall cease immediately.

97 Acts, ch 152, §10; 2015 Acts, ch 97, §12

Referred to in §357H.8