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FEB 28 1995

LOCAL GOVERNMENT

HOUSE FILE 222

BY VANDE HOEF, RANTS, WISE,
JOCHUM, NUTT, WARNSTADT,
HEATON, NELSON of
Pottawattamie, HAMMITT, BRAND,
and SIEGRIST

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the establishment of home development
2 districts.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 222

1 Section 1. Section 357.1A, Code 1995, is amended to read
2 as follows:

3 357.1A ~~COMBINED WATER-AND-SANITARY-DISTRICT~~ DISTRICTS.

4 1. Upon receipt of a petition having the required
5 signatories as provided in section ~~357.1-or-358.2~~ 357.1,
6 358.2, or 403B.3, the board of supervisors shall grant a
7 hearing relative to the establishment of a proposed combined
8 ~~water home development, water,~~ and sanitary district. The
9 petition shall include the information required in sections
10 357.1 and 358.2 for proposed water districts and sanitary
11 districts and section 403B.3 for home development districts.
12 The board of supervisors of the county in which the proposed
13 combined district or largest part of the proposed combined
14 district is located, shall have jurisdiction of the
15 proceedings on the petition and the decision of a majority of
16 the members of that board of supervisors is necessary for
17 adoption. The orders of the board of supervisors made
18 pursuant to this chapter, and chapter 358, or chapter 403B
19 relating to the proposed combined district shall be kept as
20 official records, but the records need not be published under
21 section 349.16. An existing district may petition the board
22 of supervisors to establish a combined ~~water-and-sanitary~~
23 district after the approval of a majority of the district
24 electorate.

25 2. The board of supervisors having jurisdiction to
26 establish the proposed combined ~~water-and-sanitary~~ district
27 may proceed with its establishment under this chapter, or
28 chapter 358, or chapter 403B in the same manner as a benefited
29 water district, or a sanitary district, or a home development
30 district is separately established under those chapters. The
31 differences between this chapter, and chapter 358, or chapter
32 403B including, but not limited to, the membership of the
33 board of trustees, per diem, and maximum annual per diem, or a
34 power or duty relating to rents, fees, taxation, or bonded
35 indebtedness shall be resolved as a part of the petition

1 submitted to the board of supervisors. Before becoming
2 effective, a change in the membership, per diem, maximum
3 annual per diem, or a power or duty relating to rents, fees,
4 the levy of a tax, or the issuance of bonds, or other
5 differences specified on the petition shall be submitted for
6 the approval of the district electorate. However, the number
7 of members, per diem, maximum annual per diem, or differences
8 in powers and duties included in a combined district shall not
9 be inconsistent with this chapter, or chapter 358, or chapter
10 403B.

11 3. For the purpose of establishing, operating, or
12 dissolving a combined ~~water-and-sanitary~~ district under this
13 chapter, and chapter 358, or chapter 403B, the term "benefited
14 water district" includes combined water, and sanitary, and
15 home development district where applicable.

16 4. Water services and a water service plan prepared by the
17 combined district are subject to approval by an affected city
18 as provided in section 357.1.

19 Sec. 2. NEW SECTION. 403B.1 INCORPORATION -- INTENT.

20 If an area of territory is so situated that the development
21 of housing would encourage economic development in the area
22 and promote the public convenience or welfare, the area may be
23 incorporated as a home development district in the manner set
24 forth in this chapter. Areas of contiguous or noncontiguous
25 territory may be incorporated in a home development district.

26 It is the intent of the general assembly that home
27 development districts target the development of single family,
28 owner-occupied residences.

29 Sec. 3. NEW SECTION. 403B.2 COMBINED DISTRICTS.

30 1. The board of supervisors of a county or major part of a
31 county in which a proposed combined home development district
32 and water and sanitary district will be located, may proceed
33 with the establishment, operation, or dissolution of the
34 combined district as provided in section 357.1A.

35 2. For the purpose of establishing, operating, or

1 dissolving a combined water and sanitary and home development
2 district under chapter 357, chapter 358, and this chapter, the
3 term "home development district" includes combined water and
4 sanitary and home development district where applicable.

5 Sec. 4. NEW SECTION. 403B.3 PETITION -- DEPOSIT.

6 1. Any twenty-five or more eligible electors who reside
7 within the limits of any proposed home development district
8 may file a petition in the office of the county auditor of the
9 county in which the proposed home development district, or the
10 major portion thereof, is located, requesting that there be
11 submitted to the registered voters of the proposed district
12 the question whether the territory within the boundaries of
13 the proposed district shall be organized as a home development
14 district under this chapter. The petition shall be addressed
15 to the board of supervisors of the county in which it is filed
16 and shall contain the following:

17 a. An intelligible description of the boundaries of the
18 territory to be included in the district.

19 b. The name of the proposed home development district.

20 c. That economic development in the area will be
21 encouraged and the public convenience or welfare will be
22 promoted by the establishment of the home development
23 district.

24 d. The signatures of the petitioners.

25 2. A territory shall not be included within more than one
26 home development district organized under this chapter, and if
27 any proposed home development district shall fail to receive a
28 majority of votes cast at any election thereon as provided in
29 this chapter, a petition shall not be filed for establishment
30 of a home development district within one year from the date
31 of the previous election.

32 3. The petitioners shall file with the petition a bond
33 with sureties approved by the auditor, or a certified check,
34 credit union certified share draft, or cash in an amount
35 sufficient for the payment of all costs and expenses incurred

1 in the proceedings if the district is not finally established.

2 4. Preliminary expense shall not be incurred before the
3 establishment of the proposed home development district by the
4 board in excess of the amount of bond filed by the
5 petitioners. In case it is necessary to incur any expense in
6 addition to the amount of the bond, the board of supervisors
7 shall require the filing of an additional security until the
8 additional bond is filed in sufficient amount to cover the
9 expense.

10 Sec. 5. NEW SECTION. 403B.4 JURISDICTION -- DECISIONS --
11 RECORDS.

12 The board of supervisors of the county in which the
13 proposed home development district, or the major portion
14 thereof, is located shall have jurisdiction of the proceedings
15 on the petition as provided in this chapter, and the decision
16 of a majority of the members of the board shall be necessary
17 for adoption. All orders of the board made under this chapter
18 shall be contained in the record of the proceedings of the
19 board of supervisors, but need not be published under section
20 349.16.

21 Sec. 6. NEW SECTION. 403B.5 DATE AND NOTICE OF HEARING.

22 1. The board of supervisors to which the petition is
23 addressed, at its next meeting, shall set the time and place
24 for a hearing on the petition. The board shall direct the
25 county auditor in whose office the petition is filed to cause
26 notice to be given to all persons whom it may concern, without
27 naming them, of the pendency and content of the petition, by
28 publication of a notice as provided in section 331.305. Proof
29 of giving the notice shall be made by affidavit of the
30 publisher and the proof shall be on file with the county
31 auditor at the time the hearing begins. The notice of hearing
32 shall be directed to all persons it may concern, and shall
33 state:

34 a. That a petition has been filed with the county auditor
35 of the county, naming it, for establishment of a proposed home

1 development district, and the name of the proposed district.

2 b. An intelligible description of the boundaries of the
3 territory to be included in the district.

4 c. The date, hour, and the place where the hearing will be
5 held on the petition before the board of supervisors of the
6 named county.

7 d. That the board of supervisors will fix and determine
8 the boundaries of the proposed district as described in the
9 petition or otherwise, and for that purpose may alter and
10 amend the petition. At the hearing all interested persons
11 shall have an opportunity to be heard on the location and
12 boundaries of the proposed district and to make suggestions
13 regarding the location and boundaries.

14 2. For a district which does not include land within a
15 city, copy of the notice shall also be sent by mail to each
16 owner, without naming them, of each tract of land or lot
17 within the proposed district as shown by the transfer books of
18 the auditor's office. The mailings shall be to the last known
19 mailing address unless there is on file an affidavit of the
20 auditor or of a person designated by the board to make the
21 necessary investigation, stating that a mailing address is not
22 known and that diligent inquiry has been made to ascertain it.
23 The copy of notice shall be mailed no less than twenty days
24 before the day set for hearing and proof of service shall be
25 by affidavit of the auditor. The proofs of service required
26 by this subsection shall be on file at the time the hearing
27 begins.

28 3. In lieu of the mailing to the last known address a
29 person owning land affected by a proposed district may file
30 with the county auditor an instrument in writing designating
31 the address for the mailing. This designation when filed is
32 effective for five years and applies to all proceedings under
33 this chapter. The person making the designation may change
34 the address in the same manner as the original designation is
35 made.

1 4. In lieu of publication, personal service of the notice
2 may be made upon an owner of land in the proposed district in
3 the manner and for the time required for service of original
4 notices in the district court. Proof of the service shall be
5 on file with the auditor on the date of the hearing.

6 Sec. 7. NEW SECTION. 403B.6 HEARING OF PETITION AND
7 ORDER.

8 The board of supervisors to whom the petition is addressed
9 shall preside at the hearing provided for in section 403B.5
10 and shall continue the hearing in session, with adjournments
11 from day to day, if necessary, until completed, without being
12 required to give any further notice of the hearing. Proof of
13 the residences and qualifications of the petitioners as
14 eligible electors shall be made by affidavit or otherwise as
15 the board may direct. The board may consider the boundaries
16 of a proposed home development district, whether they shall be
17 as described in the petition or otherwise, and for that
18 purpose may alter and amend the petition and limit or change
19 the boundaries of the proposed district as stated in the
20 petition. The board shall adjust the boundaries of a proposed
21 district as needed to exclude land that has no reasonable
22 likelihood of benefit from inclusion in the proposed district.
23 The boundaries of a proposed district shall not be changed to
24 incorporate property not included in the original petition and
25 published notice until the owner of the property is given
26 notice of inclusion as on the original hearing. All persons
27 in the proposed district shall have an opportunity to be heard
28 regarding the location and boundaries of the proposed district
29 and to make suggestions regarding the location and boundaries,
30 and the board of supervisors, after hearing the statements,
31 evidence and suggestions made and offered at the hearing,
32 shall enter an order fixing and determining the limits and
33 boundaries of the proposed district and directing that an
34 election be held for the purpose of submitting to the
35 registered voters owning land within the boundaries of the

1 proposed district the question of organization and
2 establishment of the proposed home development district as
3 determined by the board of supervisors. The order shall fix a
4 date for the election not more than sixty days after the date
5 of the order.

6 However, a majority of the landowners, owning in the
7 aggregate more than seventy percent of the total land in the
8 proposed district, may file a written objection against the
9 proposed district at or before the time fixed for the hearing
10 on the proposed district with the county auditor. If the
11 objection is filed, the board of supervisors shall discontinue
12 all further proceedings on the proposed district and charge
13 the costs incurred to date relating to the establishment of
14 the proposed district.

15 Sec. 8. NEW SECTION. 403B.7 NOTICE OF ELECTION.

16 In its order for the election the board of supervisors
17 shall direct the county commissioner of elections of the
18 county in which the petition is filed to cause notice of the
19 election to be given at least thirty days before the date of
20 election by publication of the notice as provided in section
21 331.305. The notice shall state the time and place of holding
22 the election and the hours when the polls will open and close,
23 the purpose of the election, with the name of the proposed
24 home development district and a description of the boundaries
25 of it, and shall set forth briefly the limits of each voting
26 precinct and the location of the polling places. Proof of
27 publication shall be made in the manner provided in section
28 403B.5 and filed with the county auditor.

29 Sec. 9. NEW SECTION. 403B.8 ELECTION.

30 Each registered voter who resides within the proposed home
31 development district shall have the right to cast a ballot at
32 the election and no person shall vote in any precinct but that
33 of the person's residence. Ballots at the election shall be
34 in substantially the following form:

35 For home development district _____

1 Against home development district _____

2 The board of supervisors shall cause a statement of the
3 result of the election to be noted in the records of the
4 county auditor. If a majority of the votes cast upon the
5 question of incorporation of the proposed home development
6 district shall be in favor of the proposed home development
7 district, the proposed home development district shall
8 thenceforth be deemed an organized home development district
9 under this chapter and established as conducive to the public
10 convenience and welfare.

11 Sec. 10. NEW SECTION. 403B.9 EXPENSES AND COSTS OF
12 ELECTION.

13 The election held pursuant to this chapter shall be
14 conducted by the county commissioner of elections. All
15 expenses incurred in carrying out the foregoing sections of
16 this chapter, together with the costs of the election, as
17 determined by the county commissioner of elections, shall be
18 paid by those who will be benefited by the proposed home
19 development district. If the district is not established, the
20 expenses and costs shall be collected upon the bond or bonds
21 of the petitioners.

22 Sec. 11. NEW SECTION. 403B.10 SELECTION OF TRUSTEES --
23 TERM OF OFFICE.

24 1. At the election provided for in section 403B.8, the
25 names of candidates for trustee of the district shall be
26 written by the voters on blank ballots without formal
27 nomination, and the board of supervisors which had
28 jurisdiction of the proceedings for establishment of the home
29 development district, together with the board of supervisors
30 of any other county in which any part of the district is
31 located, shall appoint three trustees from among the five
32 persons receiving the greatest number of votes as trustees of
33 the district. One of the trustees shall be designated to
34 serve a term expiring on the first day of January which is not
35 a Sunday or legal holiday following the next general election,

1 one to serve a term expiring on the first day of January which
2 is not a Sunday or legal holiday two years later, and one to
3 serve a term expiring on the first day of January which is not
4 a Sunday or legal holiday four years later. Thereafter, each
5 term shall be for a term of years established by the board of
6 supervisors, not less than three years or more than six years.
7 Successors to trustees shall be elected by special election or
8 at a special meeting of the board of trustees called for that
9 purpose. For each special election called after the initial
10 election, a candidate for office of trustee shall be nominated
11 by a personal affidavit of the candidate or by petition of at
12 least ten eligible electors of the district and the
13 candidate's personal affidavit, which shall be filed with the
14 county commissioner of elections at least twenty-five days
15 before the date of the election. The form of the candidate's
16 affidavit shall be substantially the same as provided in
17 section 45.3.

18 2. Vacancies in the office of trustee of a home
19 development district shall be filled by the remaining members
20 of the board for the period until a successor is chosen in the
21 manner prescribed by this section or by section 69.12,
22 whichever is applicable.

23 3. In lieu of a special election, successors to trustees
24 shall be elected at a special meeting of the board of trustees
25 called for that purpose. Upon its own motion, the board of
26 trustees may, or upon petition of landowners owning more than
27 fifty percent of the total land in the district, shall, call a
28 special meeting of the residents of the district to elect
29 successors to trustees of the board. Notice of the meeting
30 shall be given at least ten days before the date of the
31 meeting by publication of the notice in a newspaper of general
32 circulation in the district. The notice shall state the date,
33 times, and location of the meeting and that the meeting is
34 called for the purpose of electing one or more trustees to the
35 board.

1 Sec. 12. NEW SECTION. 403B.11 TRUSTEE'S BOND.

2 Each trustee, before entering upon the duties of office,
3 shall execute a bond payable to the district, with security to
4 be approved by the board of supervisors which had jurisdiction
5 of the petition for establishment of the district, in such
6 form and amount as the board of supervisors may determine,
7 which bond shall be filed with the county auditor of the
8 county.

9 Sec. 13. NEW SECTION. 403B.12 HOME DEVELOPMENT DISTRICT
10 TO BE A BODY CORPORATE.

11 1. Each home development district organized under this
12 chapter shall be a body corporate and politic, with the name
13 and style under which it was organized, and by such name and
14 style may sue and be sued, contract and be contracted with,
15 acquire and hold real and personal property necessary for
16 corporate purposes, adopt a corporate seal and alter the same
17 at pleasure, and exercise all the powers conferred in this
18 chapter.

19 2. All courts of this state shall take judicial notice of
20 the existence of home development districts organized under
21 this chapter.

22 Sec. 14. NEW SECTION. 403B.13 BOARD OF TRUSTEES --
23 POWERS.

24 1. The trustees elected as provided in section 403B.10
25 constitute a board of trustees for the district by which they
26 are elected. The board of trustees is the corporate authority
27 of the home development district and shall manage and control
28 the affairs and property of the district. A majority of the
29 board of trustees shall constitute a quorum, but a smaller
30 number may adjourn from day to day. The board of trustees
31 shall elect a president, a clerk, and a treasurer from its
32 membership and may employ employees as necessary, who shall
33 hold their employment during the pleasure of the board. The
34 board shall prescribe the duties and fix the compensation of
35 all employees of the home development district and the amount

1 of bond to be filed by the treasurer of the district and by
2 any employee for whom the board may require bond. The members
3 of the board of trustees shall receive a per diem of forty
4 dollars for attendance at a meeting of the board or while
5 otherwise engaged in official duties, but the total per diem
6 for each member shall not exceed two thousand four hundred
7 dollars for a fiscal year. However, the board of trustees, by
8 resolution, may establish for its members a lower rate of pay
9 than is fixed by this section. The members of the board shall
10 also be reimbursed for their travel and other necessary
11 expenses incurred in performing their official duties. Travel
12 expenses are reimbursable at the rate specified in section
13 70A.9.

14 2. The board of trustees may adopt the necessary
15 ordinances, resolutions, rules, and regulations for the proper
16 management and conduct of the business of the board of
17 trustees and the corporation and for carrying out the purposes
18 for which the home development district is formed.

19 Sec. 15. NEW SECTION. 403B.14 ORDINANCES -- PUBLICATION
20 OR POSTING -- TIME OF TAKING EFFECT.

21 All ordinances, resolutions, orders, rules, and regulations
22 adopted by the board take effect from and after their adoption
23 and publication. The publication shall be by one publication
24 in a newspaper of general circulation in the district, by
25 posting copies in three public places within the district, or
26 by other steps necessary to inform the public.

27 Sec. 16. NEW SECTION. 403B.15 PROOF OF ORDINANCES.

28 All ordinances, resolutions, orders, rules, and
29 regulations, and the date when they became effective, may be
30 proven by the certificate of the clerk, under the seal of the
31 corporation, if one has been adopted, and when printed in book
32 or pamphlet form and purporting to be published by the board
33 of trustees such book or pamphlet shall be received as
34 evidence of the passage and legal publication or posting
35 thereof as of the dates mentioned therein, in all courts and

1 places, without further proof.

2 Sec. 17. NEW SECTION. 403B.16 PERSONAL INTEREST IN
3 CONTRACTS.

4 A trustee of a district shall not be directly or indirectly
5 interested in any contract, work, or business of the district,
6 or in the sale of any article the expense, price, or
7 consideration of which is paid by the district; nor in the
8 purchase of any real estate or other property belonging to the
9 district, or which shall be sold for taxes or assessments, or
10 by virtue of legal process at the suit of the district;
11 provided, that nothing herein shall be construed as
12 prohibiting the selection of any person as trustee because of
13 the person's ownership of real estate in the district or
14 because the person is a taxpayer in the district.

15 Sec. 18. NEW SECTION. 403B.17 POWERS TO PROVIDE FOR HOME
16 DEVELOPMENT.

17 The board of trustees of a home development district
18 organized pursuant to this chapter shall have power to provide
19 for the planning, acquisition, financing, construction, and
20 marketing of housing property within the district. The
21 district shall consult with the department of economic
22 development regarding the development of housing facilities in
23 the district. However, contracts for construction of housing
24 property shall be publicly bid.

25 The board of trustees of a home development district shall
26 have the same power to pay for construction or other
27 obligations under this chapter as a county does under section
28 331.463, subsection 3.

29 Sec. 19. NEW SECTION. 403B.18 TAXES -- POWER TO LEVY --
30 TAX SALES.

31 1. The board of trustees of any home development district
32 organized under this chapter shall have the power by ordinance
33 to levy annually for the purpose of paying the administrative
34 costs of such district, or for the payment of deficiencies in
35 special assessments, or for both, a tax upon property within

1 the territorial limits of such home development district not
2 exceeding fifty-four cents per thousand dollars of the
3 adjusted taxable valuation of the property within such
4 district for the preceding fiscal year.

5 2. All taxes thus levied by the board shall be certified
6 by the clerk on or before March 1 to the county auditor of
7 each county wherein any of the property included within the
8 territorial limits of the home development district is
9 located, and shall be placed upon the tax list for the current
10 fiscal year by the auditor or auditors. The county treasurer,
11 or treasurers, of more than one county, shall collect all
12 taxes so levied in the same manner as other taxes, and when
13 delinquent the taxes shall draw the same interest. All taxes
14 levied and collected shall be paid over by the officer
15 collecting the taxes to the treasurer of the home development
16 district.

17 Sales for delinquent taxes owing to the home development
18 district shall be made at the same time and in the same manner
19 as such sales are made for other taxes, and all provisions of
20 the law of this state relating to the sale of property for
21 delinquent taxes shall be applicable, so far as may be, to the
22 sales.

23 Sec. 20. NEW SECTION. 403B.19 CONDEMNATION OF PROPERTY.

24 A home development district shall have the power to condemn
25 property in the same manner as under section 403A.20.

26 Sec. 21. NEW SECTION. 403B.20 RECORDS AND DISBURSEMENTS.

27 The clerk of each home development district shall keep a
28 record of all the proceedings and actions of the trustees.
29 The treasurer shall receive, collect, and disburse all moneys
30 belonging to the district, and no claim shall be paid or
31 disbursement made until it has been duly audited by the board
32 of trustees.

33 Sec. 22. NEW SECTION. 403B.21 RENTALS AND CHARGES.

34 1. A home development district may by ordinance establish
35 just and equitable rates, charges, or rentals for the

1 utilities and services furnished by the district to be paid to
2 the district by every person, firm, or corporation whose
3 premises are served by a connection to the utilities and
4 services directly or indirectly. The rates, charges, or
5 rentals, as near as may be in the judgment of the board of
6 trustees of the district, shall be equitable and in proportion
7 to the services rendered and the cost of the services. The
8 board of trustees may change the rates, charges, or rentals
9 from time to time as it may deem advisable, and by ordinance
10 may provide for collection. The board may contract with any
11 municipality within the district, whereby the municipality may
12 collect or assist in collecting any of the rates, charges, or
13 rentals, whether in conjunction with water rentals or
14 otherwise, and the municipality may undertake the collection
15 and render the service. The rates, charges, or rentals, if
16 not paid when due, shall constitute a lien upon the real
17 property served by a connection. The lien shall have equal
18 precedence with ordinary taxes, may be certified to the county
19 treasurer and collected in the same manner as taxes, and is
20 not divested by a judicial sale.

21 2. Rentals, charges, or rates may supplant or replace, in
22 whole or in part, any monetary levy of taxes which may be, or
23 have been, authorized by the board of trustees for any of the
24 following purposes:

25 a. To meet interest and principal payments on bonds
26 legally authorized for the financing of home development
27 activities in any manner.

28 b. To pay costs of the construction, maintenance, or
29 repair of such home development facilities or utilities,
30 including payments to be made under any contract between
31 municipalities for either the joint use of water or sewerage
32 or sewage facilities, or for the use by one municipality of
33 all or a part of the sewerage or sewer system of another
34 municipality.

35 3. When a sewer rental ordinance has been passed and put

1 into effect, prior ordinances or resolutions providing for
2 monetary levy of taxes against real and personal property for
3 such purposes, or the portion thereof replaced, may be
4 repealed.

5 Sec. 23. NEW SECTION. 403B.22 DEBT LIMIT -- BORROWING --
6 BONDS -- PURPOSES.

7 1. Any home development district organized under this
8 chapter may borrow money for its corporate purposes, but shall
9 not become indebted in any manner or for any purpose to an
10 amount in the aggregate exceeding five percent on the value of
11 the taxable property within the district, to be ascertained by
12 the last state and county tax lists previous to the incurring
13 of such indebtedness. Indebtedness within this constitutional
14 limit shall not include the indebtedness of any other
15 municipal corporation located wholly or partly within the
16 boundaries of the home development district.

17 2. Subject only to this debt limitation, a home
18 development district organized under this chapter shall have
19 and it is hereby vested with all of the same powers to issue
20 bonds, including both general obligation and revenue bonds,
21 which cities now or may hereafter have under the laws of this
22 state. In the application of such laws to this chapter, the
23 words used in any such laws referring to municipal
24 corporations or to cities shall be held to include home
25 development districts organized under this chapter, the word
26 "council" or "city council" shall be held to include the board
27 of trustees of a home development district; the words "mayor"
28 and "clerk" shall be held to include the president and clerk
29 of any such board of trustees or home development district;
30 and like construction shall be given to any other words in
31 such laws where required to permit the exercise of such powers
32 by home development districts.

33 3. Any and all bonds issued hereunder shall be signed by
34 the president of the board of trustees and attested by the
35 clerk, with the seal of the district, if any, affixed, and

1 interest coupons attached thereto shall be attested by the
2 signature of the clerk.

3 4. The proceeds of any bond issue made under the
4 provisions of this section shall be used only for the purpose
5 of developing housing facilities. Proceeds from the bond
6 issue may also be used for the payment of special assessment
7 deficiencies. The bonds shall be payable in not more than
8 forty annual installments and with interest at a rate not
9 exceeding that permitted by chapter 74A, and shall be made
10 payable at the place and be of the form as the board of
11 trustees shall by resolution designate. Any home development
12 district issuing bonds as authorized in this section is hereby
13 granted authority to pledge the future revenue of a tax levy
14 to the payment of the principal and interest of the bonds
15 after the same come due, and the power to impose and certify
16 the levy is hereby granted to the trustees of home development
17 districts organized under the provisions of this chapter.

18 Sec. 24. NEW SECTION. 403B.23 SPECIAL ASSESSMENTS.

19 1. The board of trustees of a home development district
20 may provide for payment of all or any portion of the costs of
21 acquiring, locating, laying out, constructing, reconstructing,
22 repairing, changing, or enlarging property or housing
23 facilities and other necessary adjuncts thereto, by assessing
24 all, or any portion of the costs, on other property according
25 to the benefits derived. For the purposes of this chapter,
26 the board of trustees may define "other property" as all that
27 included within a designated benefited district or districts
28 to be fixed by the board, which may be all of the property
29 located within the home development district or any lesser
30 portion of that property. It is not a valid objection to a
31 special assessment that the improvement for which the
32 assessment is levied is outside the limits of the home
33 development district, but a special assessment shall not be
34 made upon property situated outside of the home development
35 district. Special assessments pursuant to this section shall

1 be in proportion to the special benefits conferred upon the
2 property, and not in excess of the benefits, and an assessment
3 shall not exceed twenty-five percent of the value of the
4 property at the time of levy. The value of a property is the
5 present fair market value of the property with the proposed
6 public improvements completed. Payment of installments of a
7 special assessment against property used and assessed as
8 agricultural property shall be deferred upon the filing of a
9 request by the owner in the same manner and under the same
10 procedures as provided in chapter 384 for special assessments
11 by cities.

12 2. The assessments may be made to extend over a period not
13 to exceed fifteen years, payable in as nearly equal annual
14 installments as practicable. A majority vote of the board of
15 trustees is requisite and sufficient for any action required
16 by the board of trustees under this section.

17 3. Subject to the limitations otherwise stated in this
18 section, a home development district organized under this
19 chapter has all of the powers to specially assess the costs of
20 improvements described in this section, including the power to
21 issue special assessment bonds, warrants, project notes, or
22 other forms of interim financing obligations, which cities
23 have under the laws of this state.

24 Sec. 25. NEW SECTION. 403B.24 APPEAL TO DISTRICT COURT.

25 A person aggrieved by any proceeding had by the board of
26 supervisors or by the board of trustees as provided in this
27 chapter in relation to any matter involving the person's
28 rights not included under the provisions of section 403B.23
29 may appeal to the district court of the county in which the
30 proceedings were had. Such appeals shall be governed in all
31 respects as is provided by pertinent sections under chapter
32 468, subchapter I, parts 1 to 5.

33 Sec. 26. NEW SECTION. 403B.25 CONTRACTS OUTSIDE OF
34 DISTRICT.

35 1. A home development district may enter into contracts

1 with persons or firms outside its limits for the provisions of
2 services within the district but the rate charged shall not be
3 less than that charged the inhabitants of the district.

4 2. A home development district adjoining a border of the
5 state may contract with the governing body of any legal entity
6 in an adjacent area in another state, to provide services to
7 the district. The contract shall be subject to approval of
8 the Iowa department of public health, if it involves
9 processing sewage from the district.

10 Sec. 27. NEW SECTION. 403B.26 REVENUE BONDS.

11 Home development districts incorporated under this chapter
12 may exercise the powers granted to counties in sections
13 331.462 to 331.470, to issue revenue bonds for the purposes in
14 section 331.461, subsection 2, paragraphs "b" and "c".

15 Sec. 28. NEW SECTION. 403B.27 ANNEXATION OF LAND BY A
16 CITY -- COMPENSATION.

17 A home development district shall be fairly compensated for
18 losses resulting from annexation. The governing body of a
19 city or city utility and the board of trustees of the home
20 development district may agree to terms which provide that the
21 facilities owned by the home development district and located
22 within the city shall be retained by the home development
23 district for the purpose of providing home development
24 services to persons outside the city. If an agreement is not
25 reached within ninety days, the issues may be submitted to
26 arbitration. If submitted, an arbitrator shall be selected by
27 a committee which includes one member of the governing body of
28 the city or its designee, one member of the home development
29 district's board of trustees or its designee, and a
30 disinterested party selected by the other two members of the
31 committee. A list of qualified arbitrators may be obtained
32 from the American arbitration association or another
33 recognized arbitration organization or association.

34 Sec. 29. NEW SECTION. 403B.28 PETITION FILED.

35 A board of trustees of a home development district may, by

1 resolution, authorize the filing of a petition in the office
2 of the county auditor of the county in which the home
3 development district or a major portion of it is located,
4 requesting the conveyance and discontinuance of the home
5 development district. The petition shall be addressed to the
6 board of supervisors of the county where it is filed and must
7 set forth:

8 1. The name of the home development district.

9 2. That the home development district lies wholly or
10 partially within the corporate limits of a city.

11 3. That economic development in the area and the public
12 convenience or welfare will be promoted by the conveyance and
13 discontinuance of the home development district and the
14 assumption of the duties, responsibilities, and functions of
15 the home development district by the city.

16 4. A statement that the city has agreed to assume the
17 duties, responsibilities, and functions of the home
18 development district upon the conveyance and discontinuance.
19 A copy of the agreement shall be attached to the petition.

20 5. A listing of the assets and liabilities of the home
21 development district, including a complete statement of
22 indebtedness.

23 6. A copy of the resolution of the board of trustees of
24 the home development district.

25 Sec. 30. NEW SECTION. 403B.29 JURISDICTION BY BOARD OF
26 SUPERVISORS.

27 The board of supervisors of the county in which the home
28 development district or a major portion of it is located shall
29 have jurisdiction of the proceedings on the petition, and the
30 decision of a majority of the members of the board shall be
31 necessary for approval of the petition for conveyance and
32 discontinuance. Orders of the board made under this section
33 shall be noted in the records of the proceedings of the board
34 of supervisors, and shall be filed with the county recorder
35 but need not be published under section 349.16.

1 Sec. 31. NEW SECTION. 403B.30 HEARING ON PETITION.

2 The board of supervisors to whom the petition is addressed,
3 at its next regular meeting shall set the time and place when
4 it shall meet for a hearing on the petition, and it shall
5 direct the county auditor in whose office the petition is
6 filed to cause notice to be given to all persons whom it may
7 concern, without naming them, of the pendency and request of
8 the petition for the conveyance and discontinuance by
9 publication of a notice as provided in section 331.305. Proof
10 of giving notice shall be made by affidavit of the publisher
11 and shall be filed with the county auditor at the time the
12 hearing begins.

13 Sec. 32. NEW SECTION. 403B.31 NOTICE.

14 The notice of hearing shall state the following:

15 1. That a petition has been filed with the county auditor
16 of the county for the conveyance and discontinuance of the
17 home development district.

18 2. An intelligible description of the boundaries of the
19 home development district.

20 3. The date, hour, and place where the petition will be
21 heard before the board of supervisors of the county.

22 4. That the board of supervisors will hear all persons
23 having an interest in the matter and that after the hearing,
24 the board of supervisors will take action as is in the best
25 interest of the home development district.

26 Sec. 33. NEW SECTION. 403B.32 CONDUCTING HEARING.

27 The board of supervisors to whom the petition is addressed
28 shall preside at the hearing and shall continue the same in
29 session with adjournments from day to day, if necessary, and
30 until completed, without being required to give further
31 notice. At the hearing, all persons interested in the matter
32 of the conveyance and discontinuance of the home development
33 district may appear and shall be heard, for and against the
34 conveyance and discontinuance, and the board shall examine
35 into the matter and the equitable distribution of the assets,

1 and equitable distribution and assumption of the liabilities
2 which have accrued during the time the home development
3 district has been in existence. The board shall receive
4 evidence on the question from the parties interested, and,
5 after hearing and reviewing the statements, evidence, and
6 suggestions made and offered at the hearing, if it finds that
7 the home development district lies wholly or partially within
8 the corporate limits of a city or that the depository of the
9 district is a municipal home development sewage system, that
10 the public health, comfort, convenience, or welfare will be
11 promoted by the conveyance and discontinuance of the home
12 development district and the assumption of the duties,
13 responsibilities, and functions of the home development
14 district by the city, and that the city has agreed to assume
15 the duties, responsibilities, and functions of the home
16 development district, shall enter an order specifying the
17 matter and specifying the equitable distribution of the
18 assets, and the equitable distribution and assumption of the
19 liabilities and responsibilities of the home development
20 district and setting an effective date of the conveyance and
21 discontinuance.

22 Sec. 34. NEW SECTION. 403B.33 FILING ORDER OF
23 DISCONTINUANCE.

24 When a home development district has been discontinued by
25 order of the board of supervisors, as provided in this
26 division, the order of the board of supervisors shall be filed
27 in the office of the recorder in the county or counties in
28 which the home development district is located. The agreement
29 of the city in which the home development district is located
30 and which has agreed to assume the duties, responsibilities,
31 and functions of the home development district shall also be
32 filed along with, and as part of the order of the board of
33 supervisors conveying and discontinuing the district.

34 Sec. 35. NEW SECTION. 403B.34 PENDING RIGHTS OR
35 LIABILITIES.

1 The assumption by the city shall not affect or impair any
2 rights or liabilities then existing for or against either the
3 home development district or the city, and they may be
4 enforced as provided in this chapter.

5 Sec. 36. NEW SECTION. 403B.35 INDEBTEDNESS ASSUMED.

6 The indebtedness of the home development district shall be
7 assumed and paid by the city, and may be paid by a tax to be
8 levied exclusively upon the property within the jurisdiction
9 of the home development district as it existed prior to the
10 conveyance and discontinuance, or by the issuance of such
11 bonds as cities may issue for purchasing and acquiring any
12 home development sewer system or sewage disposal works and
13 facilities or both.

14 Sec. 37. NEW SECTION. 403B.36 CLAIMS PROSECUTED AGAINST
15 CITY.

16 Suits to enforce claims or demands existing at the time of
17 the conveyance, discontinuance, and assumption may be
18 prosecuted or brought against the city which assumes the
19 obligations of the home development district, and judgments
20 obtained shall be paid as provided in section 403B.35 for the
21 payment of the indebtedness.

22 Sec. 38. NEW SECTION. 403B.37 DISSOLUTION.

23 1. After three years from the establishment of a home
24 development district, a petition may be filed in the office of
25 the county auditor, addressed to the board of supervisors,
26 signed by a majority of persons owning land in the district
27 and who in aggregate own at least sixty percent of the land in
28 the district. The petition shall include the above facts and
29 recite each of the following:

30 a. That more than three years has passed since the date of
31 the election which established the district.

32 b. That there are no bonds or other evidences of
33 indebtedness outstanding against the district, or if there is
34 indebtedness, the petition shall contain a plan of dissolution
35 which makes adequate provisions for payment of the

1 indebtedness.

2 c. That a construction contract has not been let or work
3 done on any improvements in the district or if either has
4 occurred, the petition shall contain a plan of dissolution
5 which makes adequate provisions for payment of the contract
6 price or for the work.

7 2. All costs and expenses of the district shall be
8 assessed against the district before dissolution by the levy
9 of an annual tax necessary to accomplish payment, but the levy
10 shall not exceed the rate provided in this section.

11 3. The board shall examine the petition at its next
12 meeting after its filing or within twenty days of the filing,
13 whichever date is earlier. Within ten days of the meeting,
14 the board shall publish notice of the petition and the date,
15 time, and place of the meeting at which time the board
16 proposes to take action on the petition. The notice shall be
17 published in a newspaper of general circulation published in
18 the district and, if no newspaper is published within the
19 district, in a newspaper published in the county in which the
20 major part of the district is located. At the board's
21 meeting, or subsequent meetings as necessary, if the petition
22 is found to comply with the requirements of this section and
23 the board of trustees consents by majority vote, the board of
24 supervisors may provide for payment as requested or modify the
25 method of payment of costs and expenses.

26 4. If the board decides that dissolution is warranted for
27 the best interest of the public, it shall publish a notice in
28 a newspaper of general circulation published in the district
29 or, if no newspaper is published in the district, in a
30 newspaper published in the county in which the major part of
31 the district is located and give notice by mail to all known
32 claimants or creditors of the district that it will receive
33 and adjudicate claims against the district for four months
34 from the date the notice is published and shall levy an annual
35 tax as necessary against all property in the district for the

1 number of years required to pay all claims allowed. However,
2 the annual tax levied under this subsection shall not exceed
3 four dollars per thousand dollars of assessed valuation of the
4 taxable property within the district at the time of
5 dissolution. The levy shall be made in the same manner as
6 provided in section 76.2. After the board makes a specific
7 finding that all indebtedness, costs, and expenses have been
8 paid or levies approved for their payment, the board shall
9 dissolve the district by resolution entered upon its records.
10 The dissolution order shall be noted by the auditor on the
11 county records, showing the date when the dissolution became
12 effective.

13 5. The records of a dissolved district including, but not
14 limited to, copies of all engineering files and work
15 undertaken by engineers of a dissolved district, shall be
16 deposited with the county auditor of the county designated by
17 the board. Any remaining balances shall be deposited in the
18 general fund of the county designated by the board. All other
19 assets of the dissolved district shall become, by dissolution,
20 assets of the county.

21 6. An action shall not be commenced to contest action of
22 the board of supervisors under this section in adjudicating
23 claims, providing for the levy of a tax, or dissolving the
24 district unless it is brought within thirty days of the entry
25 of the dissolution order on the county record.

26 Sec. 39. NEW SECTION. 403B.38 PROVISIONS NOT APPLICABLE.
27 Chapters 74 and 74A shall not apply to home development
28 districts.

29

EXPLANATION

30 This bill authorizes the establishment of home development
31 districts, similar to sanitary districts, or benefited water
32 districts. A district could be formed singly or in
33 combination with a benefited water or sanitary district or
34 both. An area may be incorporated as a home development
35 district if the development of additional housing resources in

1 the area would encourage economic development or contribute to
2 public convenience or welfare.

3 The bill also provides that 25 or more eligible electors
4 may petition the county board of supervisors for the
5 establishment of a home development district and the mechanism
6 for bringing the district into existence. Trustees of the
7 district have the power to manage and control the affairs of
8 the district, including the power to levy taxes for the
9 purposes of the district, to borrow funds, to issue bonds, to
10 make progress payments, and to condemn property.

11 The bill also provides for the dissolution of the district
12 and the winding up of the district's affairs.

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HOUSE FILE 222

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1 Amend House File 222 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "Section 1. NEW SECTION. 358C.1 DEFINITIONS.

5 As used in this chapter, unless the context
6 otherwise requires:

7 1. "Board" means the board of trustees of a real
8 estate improvement district.

9 2. "Construction" includes materials, labor, acts,
10 operations, and services necessary to complete a
11 public improvement.

12 3. "Cost" of a public improvement includes the
13 cost of engineering, preliminary reports, property
14 valuations, estimates, plans, specifications, notices,
15 legal services, acquisition of land, consequential
16 damages, easements, rights-of-way, construction,
17 repair, supervision, inspection, testing, notices and
18 publication, interest during construction and for not
19 more than six months thereafter, and printing and sale
20 of bonds.

21 4. "District" means a real estate improvement
22 district as created in this chapter.

23 5. "Public improvement" includes the principal
24 structures, works, component parts, and accessories of
25 the facilities or systems specified in section 358C.3.

26 6. "Repair" includes materials, labor, acts,
27 operations, and services necessary for the
28 reconstruction, reconstruction by widening, or
29 resurfacing of a public improvement.

30 Sec. 2. NEW SECTION. 358C.2 REAL ESTATE
31 IMPROVEMENT DISTRICT CREATED.

32 1. A majority of the owners having an interest in
33 the real property within the limits of a proposed
34 district may file a petition in the office of county
35 auditor of the county in which the proposed district
36 or major part of the proposed district is located,
37 requesting that the question be submitted to the
38 registered voters of the proposed district of whether
39 the territory within the boundaries of the proposed
40 district shall be organized as a real estate
41 improvement district as provided in this chapter.
42 Areas of contiguous and noncontiguous territory may be
43 incorporated within a district. The petition shall be
44 addressed to the board of supervisors if all or part
45 of the proposed district includes territory located
46 outside the boundaries of a city, shall be submitted
47 to and approved by the board of supervisors before it
48 is filed with the county auditor, and shall set forth
49 the following information:

50 a. The name of the district.

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- 1 b. The district shall have perpetual existence.
- 2 c. The boundaries of the district.
- 3 d. The names and addresses of the owners of land
- 4 in the proposed district.
- 5 e. The description of the tracts of land situated
- 6 in the proposed district owned by those persons who
- 7 may organize the district.
- 8 f. The names and descriptions of the real estate
- 9 owned by the persons who do not join in the
- 10 organization of the district, but who will be
- 11 benefited by the district.
- 12 g. A listing of one or more of the district
- 13 improvements specified in section 358C.3 which will be
- 14 carried out by the district.
- 15 h. The owners of real estate in the proposed
- 16 district that are unknown may also be set out in the
- 17 petition as being unknown.
- 18 i. That the establishment of the proposed district
- 19 will be conducive to the public health, comfort,
- 20 convenience, and welfare.
- 21 2. The petition shall also state that the owners
- 22 of real estate who are forming the proposed district
- 23 are willing to pay the taxes which may be levied
- 24 against all of the property in the proposed district
- 25 and special assessments against the real property
- 26 benefited which may be assessed against them to pay
- 27 the costs necessary to carry out the purposes of the
- 28 district.
- 29 3. The petition shall also state whether or not
- 30 owners of real estate who are forming the proposed
- 31 district shall waive any objections to a subsequent
- 32 annexation by a city if the district has issued bonds
- 33 or obligations for public improvements within the
- 34 district and the annexing city assumes those
- 35 obligations.
- 36 4. The petition shall propose the names of five or
- 37 more trustees who shall be owners of real estate in
- 38 the proposed district, to serve as a board of trustees
- 39 until their successors are elected and qualified if
- 40 the district is organized. The board of trustees
- 41 shall only carry out those purposes which are
- 42 authorized in this chapter and listed in the petition.
- 43 5. If the proposed district includes real estate
- 44 located in whole or in part within the boundaries of a
- 45 city, the petition shall be submitted to and approved
- 46 by the city council before it is filed with the county
- 47 auditor as provided in subsection 1. If a petition
- 48 includes a proposed district located solely within the
- 49 boundaries of a city, the petition is not subject to
- 50 action by the board of supervisors except for the

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1 purpose of selecting the initial trustees and setting
2 the election date to finally organize the district.

3 6. A proposed district shall be created only from
4 parcels of land within the boundaries of a city, on
5 parcels of land within two miles of the boundaries of
6 a city, or on parcels of land from both locations.

7 Sec. 3. NEW SECTION. 358C.3 PUBLIC IMPROVEMENTS
8 AUTHORIZED.

9 1. A district may acquire, construct, reconstruct,
10 install, maintain, and repair any of the public
11 improvements listed in subsection 2.

12 2. A public improvement includes the principal
13 structures, works, component parts, and accessories of
14 any of the following:

15 a. Underground gas, water, heating, sewer, and
16 electrical connections located in streets for private
17 property.

18 b. Sanitary, storm, and combined sewers.

19 c. Waterworks, water mains, and extensions.

20 d. Emergency warning systems.

21 e. Sidewalks and pedestrian underpasses or
22 overpasses.

23 f. Drainage conduits, dikes, and levees for flood
24 protection.

25 g. Public waterways, docks, and wharfs.

26 h. Public parks, playgrounds, and recreational
27 facilities.

28 i. Street grading, paving, graveling,
29 macadamizing, curbing, guttering, and surfacing with
30 oil and gravel or chloride.

31 j. Drives and driveway approaches located within
32 the public right-of-way.

33 k. Street lighting fixtures, connections, and
34 facilities.

35 l. Sewage pumping stations and disposal and
36 treatment plants.

37 m. Traffic control devices, fixtures, connections,
38 and facilities.

39 n. Public roads, streets, and alleys.

40 Sec. 4. NEW SECTION. 358C.4 DATE AND NOTICE OF
41 HEARING.

42 1. The board of supervisors to which the petition
43 is addressed, at its next meeting, shall set the time
44 and place for a hearing on the petition. The board
45 shall direct the county auditor in whose office the
46 petition is filed to cause notice to be given to all
47 persons whom it may concern, without naming them, of
48 the pendency and content of the petition, by
49 publication of a notice as provided in section
50 331.305. Proof of giving the notice shall be made by

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1 affidavit of the publisher and the proof shall be on
2 file with the county auditor at the time the hearing
3 begins. The notice of hearing shall be directed to
4 all persons it may concern, and shall state:

5 a. That a petition has been filed with the county
6 auditor of the county, naming it, for establishment of
7 a proposed district, and the name of the proposed
8 district.

9 b. An intelligible description of the boundaries
10 of the territory to be embraced in the district.

11 c. The date, hour, and the place where the
12 petition will be brought for hearing before the board
13 of supervisors of the named county.

14 d. That the board of supervisors will fix and
15 determine the boundaries of the proposed district as
16 described in the petition or otherwise, and for that
17 purpose may alter and amend the petition. At the
18 hearing all interested persons shall have an
19 opportunity to be heard on the location and boundaries
20 of the proposed district and to make suggestions
21 regarding the location and boundaries.

22 2. For a district which does not include land
23 within a city, copy of the notice shall also be sent
24 by mail to each owner, without naming them, of each
25 tract of land or lot within the proposed district as
26 shown by the transfer books of the auditor's office.
27 The mailings shall be to the last known mailing
28 address unless there is on file an affidavit of the
29 auditor or of a person designated by the board to make
30 the necessary investigation, stating that a mailing
31 address is not known and that diligent inquiry has
32 been made to ascertain it. The copy of notice shall
33 be mailed no less than twenty days before the day set
34 for hearing and proof of service shall be by affidavit
35 of the auditor. The proofs of service required by
36 this subsection shall be on file at the time the
37 hearing begins.

38 3. In lieu of the mailing to the last known
39 address a person owning land affected by a proposed
40 district may file with the county auditor an
41 instrument in writing designating the address for the
42 mailing. This designation when filed is effective for
43 five years and applies to all proceedings under this
44 chapter. The person making the designation may change
45 the address in the same manner as the original
46 designation is made.

47 4. In lieu of publication, personal service of the
48 notice may be made upon an owner of land in the
49 proposed district in the manner and for the time
50 required for service of original notices in the

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1 district court. Proof of the service shall be on file
2 with the auditor on the date of the hearing.

3 Sec. 5. NEW SECTION. 358C.5 HEARING OF PETITION
4 AND ORDER.

5 The board of supervisors to whom the petition is
6 addressed shall preside at the hearing provided for in
7 section 358C.4 and shall continue the hearing in
8 session, with adjournments from day to day, if
9 necessary, until completed, without being required to
10 give any further notice of the hearing. Proof of the
11 residences and qualifications of the petitioners as
12 registered voters shall be made by affidavit or
13 otherwise as the board may direct. The board may
14 consider the boundaries of a proposed district,
15 whether the boundaries are described in the petition
16 or otherwise, and for that purpose may alter and amend
17 the petition and limit or change the boundaries of the
18 proposed district as stated in the petition. The
19 board shall adjust the boundaries of a proposed
20 district as needed to exclude land that has no
21 reasonable likelihood of benefit from inclusion in the
22 proposed district. The boundaries of a proposed
23 district shall not be changed to incorporate property
24 not included in the original petition and published
25 notice until the owner of the property is given notice
26 of inclusion as on the original hearing. All persons
27 in the proposed district shall have an opportunity to
28 be heard regarding the location and boundaries of the
29 proposed district and to make suggestions regarding
30 the location and boundaries, and the board of
31 supervisors, after hearing the statements, evidence,
32 and suggestions made and offered at the hearing, shall
33 enter an order fixing and determining the limits and
34 boundaries of the proposed district and whether or not
35 all present and future property owners within the
36 district have waived any objections to the annexation
37 by a city if the district has issued obligations or
38 bonds for public improvement and the city assumes
39 those obligations, and directing that an election be
40 held for the purpose of submitting to the registered
41 voters owning land within the boundaries of the
42 proposed district the question of organization and
43 establishment of the proposed district as determined
44 by the board of supervisors. The order shall fix a
45 date for the election not more than sixty days after
46 the date of the order.

47 Sec. 6. NEW SECTION. 358C.6 NOTICE OF ELECTION.

48 In its order for the election the board of
49 supervisors shall direct the county commissioner of
50 elections of the county in which the petition is filed

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1 to cause notice of the election to be given at least
2 thirty days before the date of election by publication
3 of the notice as provided in section 331.305. The
4 notice shall state the time and place of holding the
5 election and the hours when the polls will open and
6 close, the purpose of the election, with the name of
7 the proposed district and a description of the
8 boundaries of the proposed district, and shall set
9 forth briefly the limits of each voting precinct and
10 the location of the polling places. Proof of
11 publication shall be made in the manner provided in
12 section 358C.4 and filed with the county auditor.

13 Sec. 7. NEW SECTION. 358C.7 ELECTION.

14 1. Each registered voter resident within the
15 proposed district shall have the right to cast a
16 ballot at the election and a person shall not vote in
17 any precinct but that of the person's residence.
18 Ballots at the election shall be in substantially the
19 following form, to wit:

20 For Real Estate Improvement District

21 Against Real Estate Improvement District

22 2. The board of supervisors shall cause a
23 statement of the result of the election to be included
24 in the records of the county auditor. If a majority
25 of the votes cast upon the question of incorporation
26 of the proposed district shall be in favor of the
27 proposed district, the proposed district shall be
28 deemed an organized real estate improvement district
29 under this chapter and established as conducive to the
30 public health, comfort, convenience, and welfare.

31 3. In the event the petition and order provide
32 that any present or future owner of property within
33 the district waives objection to annexation if the
34 district has issued obligations or bonds for a public
35 improvement and the annexing city assumes those
36 obligations, the board of supervisors shall file a
37 certified declaration of that provision and a legal
38 description of all real estate in the district with
39 the county recorder in each county in which the
40 district is located.

41 Sec. 8. NEW SECTION. 358C.8 EXPENSES AND COSTS
42 OF ELECTION.

43 The election held pursuant to this chapter shall be
44 conducted by the county commissioner of elections.
45 All expenses incurred in carrying out the preceding
46 sections of this chapter, and the costs of the
47 election, as determined by the county commissioner of
48 elections, shall be paid by those who will be
49 benefited by the proposed district. If the district
50 is not established, the expenses and costs shall be

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1 collected upon the bonds of the petitioners.

2 Sec. 9. NEW SECTION. 358C.9 SELECTION OF

3 TRUSTEES -- TERM OF OFFICE.

4 1. At the election provided for in section 358C.7,
5 the names of candidates for trustee of the district
6 shall be submitted to the registered voters, and the
7 board of supervisors which had jurisdiction of the
8 proceedings for establishment of the district,
9 together with the board of supervisors of any other
10 county in which any part of the district is located,
11 shall appoint five trustees from among the five or
12 more persons receiving the greatest number of votes as
13 trustees of the district. One of the trustees shall
14 be designated to serve a term expiring on the first
15 day of January which is not a Sunday or legal holiday
16 following the next general election, two to serve a
17 term expiring on the first day of January which is not
18 a Sunday or legal holiday two years later, and two to
19 serve a term expiring on the first day of January
20 which is not a Sunday or legal holiday four years
21 later. Thereafter, each term shall be for a term of
22 years established by the board of supervisors, not
23 less than three years or more than six years.

24 Successors to trustees shall be elected by special
25 election or at a special meeting of the board of
26 trustees called for that purpose. For each special
27 election called after the initial election, a
28 candidate for office of trustee shall be nominated by
29 a personal affidavit of the candidate or by petition
30 of at least ten registered voters of the district and
31 the candidate's personal affidavit, which shall be
32 filed with the county commissioner of elections at
33 least twenty-five days before the date of the
34 election. The form of the candidate's affidavit shall
35 be substantially the same as provided in section 45.3.

36 2. Vacancies in the office of trustee of a
37 district shall be filled by the remaining members of
38 the board for the period until a successor is chosen
39 in the manner prescribed by this section or by section
40 69.12, whichever is applicable.

41 3. In lieu of a special election, successors to
42 trustees shall be elected at a special meeting of the
43 board of trustees called for that purpose. Upon its
44 own motion, the board of trustees may, or upon
45 petition of landowners owning more than fifty percent
46 of the total land in the district, shall, call a
47 special meeting of the residents of the district to
48 elect successors to trustees of the board. Notice of
49 the meeting shall be given at least ten days before
50 the date of the meeting by publication of the notice

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1 in a newspaper of general circulation in the district.
2 The notice shall state the date, times, and location
3 of the meeting and that the meeting is called for the
4 purpose of electing one or more trustees to the board.

5 Sec. 10. NEW SECTION. 358C.10 TRUSTEE'S BOND.

6 Each trustee, before entering upon the duties of
7 office, shall execute a bond payable to the district,
8 with security to be approved by the board of
9 supervisors which had jurisdiction of the petition for
10 establishment of the district, in such form and amount
11 as the board of supervisors may determine, which bond
12 shall be filed with the county auditor of the county.

13 Sec. 11. NEW SECTION. 358C.11 REAL ESTATE
14 IMPROVEMENT DISTRICT TO BE A BODY CORPORATE -- EMINENT
15 DOMAIN.

16 1. Each district organized under this chapter
17 shall be a body corporate and politic, with the name
18 and style under which it was organized, and by that
19 name and style may sue and be sued, contract and be
20 contracted with, acquire and hold real and personal
21 property necessary for corporate purposes, adopt a
22 corporate seal and alter the same at pleasure, and
23 exercise all the powers conferred in this chapter.

24 2. All courts of this state shall take judicial
25 notice of the existence of real estate improvement
26 districts organized under this chapter.

27 3. A district shall not own or hold land in excess
28 of ten acres unless the land is actually used for a
29 public purpose within three years of its acquisition.
30 A district which owns or holds land in excess of ten
31 acres for more than three years without devoting it to
32 a public purpose as provided in this chapter shall
33 divest itself of the land by public auction to the
34 highest bidder.

35 4. A district may acquire by purchase,
36 condemnation, or gift, real or personal property,
37 right-of-way, and easement within or without its
38 corporate limits necessary for its corporate purposes
39 specified in section 358C.3.

40 5. If the board of trustees of the district decide
41 to make a public improvement pursuant to this chapter
42 which requires that private property be taken or
43 damaged, the board may exercise the power of eminent
44 domain. The procedure to condemn property shall be
45 exercised in the manner provided in chapter 6B.

46 Sec. 12. NEW SECTION. 358C.12 BOARD OF TRUSTEES
47 -- POWERS -- PROHIBITED ACTIONS.

48 1. The board of trustees is the corporate
49 authority of the district and shall manage and control
50 the affairs and property of the district. A majority

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1 of the board of trustees shall constitute a quorum,
2 but a smaller number may adjourn from day to day. The
3 board of trustees shall elect a president, a clerk,
4 and a treasurer from its membership and may employ
5 employees as necessary, who shall hold their
6 employment during the pleasure of the board. The
7 board shall prescribe the duties and fix the
8 compensation of all employees of the district and the
9 amount of bond to be filed by the treasurer of the
10 district and by any employee for whom the board may
11 require bond. The members of the board of trustees
12 shall receive a per diem of forty dollars for
13 attendance at a meeting of the board or while
14 otherwise engaged in official duties, but the total
15 per diem for each member shall not exceed two thousand
16 four hundred dollars for a fiscal year. However, the
17 board of trustees, by resolution, may establish for
18 its members a lower rate of pay than is fixed by this
19 section. The members of the board shall also be
20 reimbursed for their travel and other necessary
21 expenses incurred in performing their official duties.
22 Travel expenses are reimbursable at the rate specified
23 in section 70A.9.

24 2. The board of trustees may adopt the necessary
25 ordinances, resolutions, and regulations for the
26 proper management and conduct of the business of the
27 board of trustees and the corporation and for carrying
28 out the purposes for which the district is formed.

29 3. If the board of trustees wishes to expand its
30 authority to carry out public improvements in addition
31 to the public improvements listed in the board's
32 original petition as provided in section 358C.3, the
33 board shall submit a petition to the board of
34 supervisors specifying the additional public
35 improvements to be included within the authority of
36 the district and requesting that the board of
37 supervisors order an election as provided in section
38 358C.6 to approve or disapprove the amendment. If the
39 petition includes public improvements as specified in
40 section 358C.3, the board of supervisors shall order
41 the election to be conducted as otherwise provided in
42 this chapter. If the amendment is approved, the
43 original petition is amended to include the additional
44 public improvements.

45 4. The board of trustees of a district shall not
46 purchase and resell electric service.

47 Sec. 13. NEW SECTION. 358C.13 TAXES -- POWER TO
48 LEVY -- TAX SALES.

49 1. The board of trustees of a real estate
50 improvement district shall have the power by ordinance

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1 to levy annually for the purpose of paying the
2 administrative costs of the district, or for the
3 payment of deficiencies in special assessments, or for
4 both, a tax upon property within the territorial
5 limits of the district not exceeding fifty-four cents
6 per thousand dollars of the adjusted taxable valuation
7 of the property within the district for the preceding
8 fiscal year.

9 2. All taxes thus levied by the board shall be
10 certified by the clerk on or before March 1 to the
11 county auditor of each county in which any of the
12 property included within the territorial limits of the
13 district is located, and shall be placed upon the tax
14 list for the current fiscal year by the auditor. The
15 county treasurer of more than one county shall collect
16 all taxes so levied in the same manner as other taxes,
17 and when delinquent the taxes shall draw the same
18 interest. All taxes levied and collected shall be
19 paid over by the officer collecting the taxes to the
20 treasurer of the district.

21 3. Sales for delinquent taxes owing to the
22 district shall be made at the same time and in the
23 same manner as the sales are made for other taxes, and
24 all provisions of the law of this state relating to
25 the sale of property for delinquent taxes shall be
26 applicable, so far as may be, to the sales.

27 Sec. 14. NEW SECTION. 358C.14 RENTALS AND
28 CHARGES.

29 1. A board of trustees may by ordinance establish
30 equitable rates, charges, or rentals for the utilities
31 and services furnished by the district to be paid to
32 the district by every person, firm, or corporation
33 whose premises are served by a connection to the
34 utilities and services directly or indirectly. The
35 rates, charges, or rentals, as near as may be in the
36 judgment of the board of trustees, shall be equitable
37 and in proportion to the services rendered and the
38 cost of the services, and taking into consideration in
39 the case of the premises the quantity of sewage or
40 water produced or used and the concentration,
41 strength, and pollution qualities of the sewage. The
42 board of trustees may change the rates, charges, or
43 rentals as it may deem advisable, and by ordinance may
44 provide for collection. The board may contract with
45 any municipality within the district, whereby the
46 municipality may collect or assist in collecting any
47 of the rates, charges, or rentals, whether in
48 conjunction with water rentals or otherwise, and the
49 municipality may undertake the collection and render
50 the service. The rates, charges, or rentals, if not

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1 paid when due, shall constitute a lien upon the real
2 property served by a connection. The lien shall have
3 equal precedence with ordinary taxes, may be certified
4 to the county treasurer and collected in the same
5 manner as taxes, and is not divested by a judicial
6 sale.

7 2. Sewer rentals, charges, or rates may supplant
8 or replace, in whole or in part, any monetary levy of
9 taxes which may be, or have been, authorized by the
10 board of trustees for any of the following purposes:

11 a. To meet interest and principal payments on
12 bonds legally authorized for the financing of sanitary
13 utilities in any manner.

14 b. To pay costs of the construction, maintenance,
15 or repair of the facilities or utilities, including
16 payments to be made under any contract between
17 municipalities for either the joint use of water or
18 sewage facilities, or for the use by one municipality
19 of all or a part of the water or sewer system of
20 another municipality.

21 Sec. 15. NEW SECTION. 358C.15 DEBT LIMIT --
22 BORROWING -- BONDS -- PURPOSES.

23 1. A district may borrow money for its corporate
24 purposes, but shall not become indebted in any manner
25 or for any purpose to an amount in the aggregate
26 exceeding its constitutional debt limit of five
27 percent on the value of the taxable property within
28 the district, to be ascertained by the last state and
29 county tax lists previous to the incurring of the
30 indebtedness. Indebtedness within this constitutional
31 limit shall not include the indebtedness of any other
32 municipal corporation located wholly or partly within
33 the boundaries of the district, special assessment
34 bonds or obligations authorized under section 358C.16,
35 or revenue bonds authorized under section 358C.17.

36 2. Subject only to this debt limitation, a
37 district shall have the same powers to issue bonds,
38 including both general obligation and revenue bonds,
39 which cities have under the laws of this state. In
40 the application of the laws to this chapter, the words
41 used in the laws referring to municipal corporations
42 or to cities shall be held to include real estate
43 improvement districts organized under this chapter;
44 the words "council" or "city council" shall be held to
45 include the board of trustees of a district; the words
46 "mayor" and "clerk" shall be held to include the
47 president and clerk of a board of trustees; and like
48 construction shall be given to any other words in the
49 laws where required to permit the exercise of the
50 powers by real estate improvement districts.

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1 3. All bonds issued shall be signed by the
2 president of the board of trustees and attested by the
3 clerk, with the seal of the district, if any, affixed,
4 and interest coupons attached to the bonds shall be
5 attested by the signature of the clerk.

6 4. The proceeds of any bond issue made under this
7 section shall be used only for the public improvements
8 specified in section 358C.3. Proceeds from the bond
9 issue may also be used for the payment of special
10 assessment deficiencies. The bonds shall be payable
11 in not more than forty annual installments and with
12 interest at a rate not exceeding that permitted by
13 chapter 74A, and shall be made payable at the place
14 and be of the form as the board of trustees shall by
15 resolution designate. A district issuing bonds as
16 authorized in this section is granted authority to
17 pledge the future avails of a tax levy to the payment
18 of the principal and interest of the bonds after the
19 same come due, and the power to impose and certify the
20 levy is granted to the trustees of real estate
21 improvement districts organized under this chapter.

22 Sec. 16. NEW SECTION. 358C.16 SPECIAL
23 ASSESSMENTS.

24 1. The board of trustees of a real estate
25 improvement district may provide for payment of all or
26 any portion of the costs of a public improvement
27 specified in section 358C.3, by assessing all, or any
28 portion of the costs, on adjacent property according
29 to the benefits derived. For the purposes of this
30 chapter, the board of trustees may define "adjacent
31 property" as all that included within a designated
32 benefited district to be fixed by the board, which may
33 be all of the property located within the real estate
34 improvement district or any lesser portion of that
35 property. It is not a valid objection to a special
36 assessment that the improvement for which the
37 assessment is levied is outside the limits of the
38 district, but a special assessment shall not be made
39 upon property situated outside of the district.
40 Special assessments pursuant to this section shall be
41 in proportion to the special benefits conferred upon
42 the property, and not in excess of the benefits. The
43 value of a property is the present fair market value
44 of the property with the proposed public improvements
45 completed. Payment of installments of a special
46 assessment against property used and assessed as
47 agricultural property shall be deferred upon the
48 filing of a request by the owner in the same manner
49 and under the same procedures as provided in chapter
50 384 for special assessments by cities.

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1 2. The assessments may be made to extend over a
2 period not to exceed fifteen years, payable in as
3 nearly equal annual installments as practicable. A
4 majority vote of the board of trustees is requisite
5 and sufficient for any action required by the board of
6 trustees under this section.

7 3. Subject to the limitations otherwise stated in
8 this section, a district organized under this chapter
9 has all of the powers to specially assess the costs of
10 improvements described in this section, including the
11 power to issue special assessment bonds, warrants,
12 project notes, or other forms of interim financing
13 obligations, which cities have under the laws of this
14 state.

15 Sec. 17. NEW SECTION. 358C.17 REVENUE BONDS.

16 A district incorporated under this chapter may
17 exercise the powers granted to counties in sections
18 331.462 to 331.470, to issue revenue bonds for the
19 purposes in section 358C.3, subsection 2, paragraphs
20 "b", "c", "g", "h", and "l".

21 Sec. 18. NEW SECTION. 358C.18 ADDITIONAL
22 TERRITORY.

23 1. The district may be enlarged and additional
24 territory annexed to the district by either of the
25 following methods:

26 a. By petitions signed by the owners of all the
27 property to be annexed to the district. If a petition
28 requesting annexation is presented to the trustees and
29 approved by the trustees the change in the boundaries
30 to include the additional area shall be certified by
31 the clerk of the district to the county auditor in
32 which the greater portion of the district is located
33 and thereafter the district shall include the area
34 thus annexed.

35 b. By a petition filed with the clerk of the
36 district, signed by persons owning not less than fifty
37 percent of the area to be annexed, but not signed by
38 persons owning all the area requested to be annexed.
39 On the filing of the petition, the trustees of the
40 district shall fix a time and place for a hearing on
41 the petition and give notice of the hearing, as
42 provided in section 331.305, and by certified mail to
43 the record owners of all persons owning land within
44 the territory sought to be annexed, not less than ten
45 days prior to the date of the hearing, if the address
46 of the owners is known or can be ascertained by
47 reasonable diligence by the trustees. At the hearing,
48 any person owning property within the area proposed to
49 be annexed or any person owning property or residing
50 within the district may appear and be heard. If,

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1 after the hearing, the board of trustees determines
2 that annexation of the additional area will be
3 conducive to the public health, convenience, and
4 welfare and will not be an undue burden on the
5 district, the board of trustees may, by resolution,
6 annex the additional area and fix the boundary which
7 shall not include more than the area requested in the
8 petition. A copy of the resolution shall be filed
9 with the county auditor of the county in which the
10 largest portion of the district is located and
11 thereafter the area included by the resolution shall
12 be a part of the district.

13 2. All property, from and after it is annexed to
14 the district, shall be subject to all taxes and other
15 burdens levied by the district, regardless of when the
16 obligation for which the taxes or assessments are
17 levied was incurred.

18 Sec. 19. NEW SECTION. 358C.19 ANNEXATION BY A
19 CITY.

20 When a city or real estate improvement district
21 proposes that the district be annexed by the city,
22 either wholly or partially, an owner of property in
23 the district shall not object to the annexation if the
24 district has issued, and there remain, outstanding
25 obligations of the district for public improvements
26 and the original petition and order of the board of
27 supervisors provide that a property owner has waived
28 any right to object if obligations are issued for
29 public improvements. When a city annexes all the
30 territory within the boundaries of a real estate
31 improvement district, the district shall merge with
32 the city and the city shall succeed to all the
33 property and property rights of every kind, contracts,
34 and obligations, held by or belonging to the district,
35 and the city shall be liable for and recognize,
36 assume, and carry out all valid contracts and
37 obligations of the district. The city may assume and
38 provide for the payment of the obligations of any
39 bonds of the district by issuing general obligation,
40 special assessment, or revenue refunding bonds which
41 may be sold at public or private sale or exchanged for
42 outstanding bonds. General obligation bonds of the
43 city may be issued to refund special assessment and
44 revenue obligations if the governing body of the city
45 determines that it is in the best interest of the
46 city. The refunding of these obligations shall
47 constitute an essential corporate purpose under
48 section 384.24. All taxes, assessments, claims, and
49 demands of every kind due or owing to the district
50 shall be paid to and collected by the city. Any

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1 special assessments which the district was authorized
2 to levy, assess, relevel, or reassess, but which were
3 not levied, assessed, relevelled, or reassessed, at the
4 time of the merger, for improvements made by the
5 district or in the process of construction or
6 contracted for may be levied, assessed, relevelled, or
7 reassessed by the annexing city to the same extent as
8 the district may have levied or assessed but for the
9 merger. However, this section does not authorize the
10 annexing city to revoke any resolution, order, or
11 finding made by the district in regard to special
12 benefits or increase any assessments made by the
13 district, but the city shall be bound by all findings
14 or orders and assessments to the same extent as the
15 district would be bound. Also, a district shall not
16 levy any special assessments after the effective date
17 of the annexation.

18 Sec. 20. NEW SECTION. 358C.20 EFFECTIVE DATE OF
19 MERGER.

20 The merger shall be effective thirty days after the
21 effective date of the ordinance annexing the territory
22 within the district. However, if the validity of the
23 ordinance annexing the territory is challenged by a
24 court proceeding, the effective date of the merger
25 shall be thirty days after the final determination of
26 the validity of the ordinance. The trustees of a
27 district shall continue in possession and conduct the
28 affairs of the district until the effective date of
29 the merger, but shall not during the period levy any
30 special assessments after the effective date of
31 annexation.

32 Sec. 21. NEW SECTION. 358C.21 PARTIAL ANNEXATION
33 -- DIVISION AGREEMENT.

34 If only a part of the territory within a district
35 is annexed by a city, the district and the city may
36 agree between themselves as to the equitable division
37 of the assets, liabilities, maintenance, or other
38 obligations of the district for a change in the
39 boundaries of the district so as to exclude the
40 portion annexed by the city or may agree upon a merger
41 of the district with the city. If a merger is agreed
42 upon, the city shall have all the rights, privileges,
43 duties, and obligations as provided in this chapter
44 when the city annexes the entire territory within the
45 district, and the trustees shall be relieved of all
46 further duties and liabilities and their bonds
47 exonerated. An agreement between the district and the
48 city shall not be effective until submitted to and
49 approved by the district court of the county in which
50 the major portion of the district is located. An

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1 agreement shall not be approved which may prejudice
2 the rights of any bondholder or creditor of the
3 district. The district court may direct amendments to
4 the agreement before approving the agreement. If the
5 district and city do not agree upon the proper
6 adjustment of all matters growing out of the
7 annexation of a part of the territory located within
8 the district, either the district or the annexing city
9 may apply to the district court of the county where
10 the major portion of the district is located for an
11 adjustment of all matters growing out of or in any way
12 connected with the annexation of the territory, and
13 after a hearing the district court may enter an order
14 or decree fixing the rights, duties, and obligations
15 of the parties. However, in every case the decree or
16 order shall require a change of the district
17 boundaries so as to exclude from the district that
18 portion of the territory of the district which has
19 been annexed. The change of boundaries shall become
20 effective on the date of entry of the decree. Only
21 the district and the city shall be necessary parties
22 to the action. The decree when entered shall be
23 binding on both parties the same as though the parties
24 had voluntarily agreed thereto. This section does not
25 authorize any district to levy any special assessments
26 within the annexed area after the effective date of
27 annexation.

28 Sec. 22. NEW SECTION. 358C.22 DISSOLUTION OF
29 DISTRICT.

30 When a majority of the board of trustees of a
31 district desire that the district be wholly dissolved,
32 the trustees shall first propose a resolution
33 declaring the advisability of the dissolution and
34 setting out the terms and conditions of the
35 dissolution, and also setting out the time and place
36 when the board of trustees shall meet to consider the
37 adoption of the resolution. Notice of the time and
38 place when the resolution shall be set for
39 consideration shall be published as provided in
40 section 331.305, which publication shall contain the
41 entire wording of the proposed resolution. If any
42 part of the district lies within the area of the
43 jurisdiction of a city, then the trustees shall mail a
44 copy of the proposed resolution to the city on the
45 date of first publication of the resolution. At the
46 hearing the owners of property within the district, or
47 a city if any part of the district lies within the
48 city, may appear and make objections to the proposed
49 resolution. If the owners representing a majority of
50 the area of real estate within the district fail to

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1 sign and present to the board, on or prior to the
2 hearing date, a written petition opposing the
3 resolution, a majority of the board of trustees may
4 pass the resolution and adopt the proposed
5 dissolution. However, the resolution shall not be
6 adopted if the district is obligated on any
7 outstanding bonds, warrants, or other debts or
8 obligations unless the holders of the bonds, warrants,
9 or other debts or obligations all sign written
10 consents to the dissolution prior to the adoption of
11 the resolution of dissolution. If the petition
12 opposing the resolution is signed by property owners
13 representing a majority of the area of real estate
14 within the district and presented to the board of
15 trustees on or prior to the hearing date, the board of
16 trustees shall not adopt the resolution. After the
17 board of trustees has adopted the resolution of
18 dissolution, the clerk of the district shall prepare
19 and file a certified copy of the resolution of
20 dissolution in the office of the county auditor where
21 the original petition was filed.

22 Sec. 23. NEW SECTION. 358C.23 DETACHMENT OF
23 LAND.

24 1. When a majority of the board of trustees of a
25 district desires that any property within the district
26 be detached from the district, the trustees shall
27 first propose a resolution declaring the advisability
28 of the detachment and setting out the terms and
29 conditions of the detachment and also setting out the
30 time and place when the board of trustees will meet to
31 consider the adoption of the resolution. Notice of
32 the time and place when the resolution is set for
33 consideration shall be published as provided in
34 section 331.305, which publication shall contain the
35 entire wording of the proposed resolution. If any
36 part of the district lies within a city, then the
37 trustees shall mail a copy of the proposed resolution
38 to the city on the date of first publication of the
39 resolution. At the hearing the owners of property
40 within the district, or any city, may appear and make
41 objections to the proposed resolution. If the owners
42 representing a majority of the area of real estate
43 within the district fail to sign and present to the
44 board of trustees, on or prior to the hearing date, a
45 written petition opposing the resolution, a majority
46 of the board of trustees may pass the resolution and
47 adopt the proposed detachment, except that the
48 resolution shall not be adopted if the district is
49 indebted on any outstanding bonds or warrants of the
50 district unless the holders of the bonds and warrants

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1 all sign written consents to the detachment prior to
2 the adoption of the resolution of detachment. If the
3 petition opposing the resolution is signed by property
4 owners representing a majority of the area of real
5 estate within the district and presented to the board
6 of trustees on or prior to the hearing date, the board
7 of trustees shall not adopt the resolution. After the
8 board of trustees has adopted the resolution of
9 detachment, the clerk of the district shall prepare
10 and file a certified copy of the resolution of
11 detachment in the office of the county auditor where
12 the original petition was filed, and the area detached
13 shall become excluded and detached from the boundaries
14 of the district.

15 2. The owner of a discrete tract of land which is
16 part of a district but which is not connected to the
17 main area of the district may petition the board of
18 trustees of the district to have the property detached
19 from the district. Following receipt of the petition,
20 the board of trustees shall propose a resolution
21 declaring the advisability of the detachment and
22 setting out the terms and conditions of the detachment
23 and setting out the time and place when the board of
24 trustees will meet to consider the adoption of the
25 resolution. Notice of the time and place for the
26 consideration shall be published as provided in
27 subsection 1. If any part of the district lies in
28 whole or in part within a city, the board of trustees
29 shall mail a copy of the proposed resolution to the
30 municipality within five days after the date of first
31 publication of the resolution. At the hearing for
32 consideration of the resolution, the board of trustees
33 shall determine if the tract of land proposed for
34 detachment has all of the following characteristics:
35 a. Has an area of twenty-five acres or more.
36 b. Is wholly detached from the main area of the
37 district and separated from the district by a distance
38 of at least one thousand feet at the nearest points.
39 c. Is undeveloped and predominantly devoted to
40 agricultural uses.
41 d. Has no improvements placed upon it by the
42 district and receives no current services from the
43 district.

44 3. If the board of trustees by majority vote
45 determines that the tract in question meets all of the
46 conditions provided in subsection 2, paragraphs "a"
47 through "d", the resolution shall be adopted, except
48 that the resolution shall not be adopted if the
49 district is indebted on any outstanding bonds or
50 warrants of the district unless the holders of the

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1 bonds and warrants all sign written consents to the
2 detachment. After the board of trustees has adopted
3 the resolution of detachment, the clerk of the
4 district shall prepare and file a certified copy of
5 the resolution of detachment in the office of the
6 county auditor where the original petition was filed
7 and the area detached shall become excluded and
8 detached from the boundaries of the district.

9 Sec. 24. NEW SECTION. 358C.24 CHAPTER LIBERALLY
10 CONSTRUED.

11 The provisions of this chapter shall be liberally
12 construed to facilitate the development of land for
13 housing."

14 2. Title page, by striking lines 1 and 2 and
15 inserting the following: "An Act relating to the
16 creation of real estate improvement districts,
17 authorizing the issuance of general obligation bonds
18 and revenue bonds, the imposition of ad valorem
19 property taxes, special assessments and fees, and
20 other related matters."

By JACOBS of Polk
MYERS of Johnson
HAMMITT of Harrison
VANDE HOEF of Osceola
SIEGRIST of Pottawattamie
BELL of Jasper
JOCHUM of Dubuque

NELSON of Pottawattamie
RANTS of Woodbury
WISE of Lee
CARROLL of Poweshiek
WARNSTADT of Woodbury
HEATON of Henry
BRAND of Benton

H-3777 FILED APRIL 5, 1995

Adopted
4-6-95
[Signature]

HOUSE FILE 222

H-3780

1 Amend the amendment, H-3777, to House File 222, as
2 follows:

3 1. Page 1, line 47, by striking the words "and
4 approved by".

5 2. Page 5, line 32, by inserting after the word
6 "hearing," the following: "shall approve or reject
7 the petition. If the petition is approved, the
8 board".

Adopted 4-6-95
(P.1351)

By JACOBS of Polk
MYERS of Johnson

H-3780 FILED APRIL 6, 1995