

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 13-0384.01 Gregg Fraser x4325

HOUSE BILL 13-1036

HOUSE SPONSORSHIP

Singer,

SENATE SPONSORSHIP

(None),

House Committees

Local Government
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE AUTHORITY OF A LOCAL IMPROVEMENT DISTRICT.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The bill modifies certain provisions of the law governing county and city and county local improvement districts (districts) to make the provisions consistent with the law governing improvement districts. **Section 1** of the bill allows a district in which a sales tax is levied to include noncontiguous areas.

Section 2 allows a district to use sales tax revenues for the organization, promotion, marketing, and management of public events.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

It further specifies procedures for a property owner to petition for inclusion in or exclusion from a district.

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

2 **SECTION 1.** In Colorado Revised Statutes, 30-20-602, **amend**
3 (2) as follows:

4 **30-20-602. Definitions.** As used in this part 6, unless the context
5 otherwise requires:

6 (2) "District" means the geographical division of the county or
7 counties within which any local improvements are made or proposed,
8 when so declared by resolution of the board. ~~Except for a district in the~~
9 ~~unincorporated area of a county in which a sales tax is levied pursuant to~~
10 ~~section 30-20-604.5,~~ There may be noncontiguous parts or sections ~~of a~~
11 **WITHIN THE SAME** county included in one district, but no district shall
12 include territory that is included in an undissolved district that was
13 formed for the same type of improvement. Notwithstanding any other
14 provision of this part 6 and except in the case of a district formed prior to
15 December 31, 2002, by a city that has been authorized to become a city
16 and county pursuant to an amendment to the state constitution that has
17 been approved by the registered electors of the state of Colorado, no
18 district in which a sales tax is levied pursuant to section 30-20-604.5 shall
19 be formed that includes territory within a municipality, and any such
20 district shall be as compact as possible. Except as provided in section
21 30-20-603 (11.5) (b) (I), no district that crosses county boundaries may
22 be formed by intergovernmental agreement or otherwise.

23 **SECTION 2.** In Colorado Revised Statutes, 30-20-603, **amend**
24 (1) (c); and **add** (2.5) as follows:

25 **30-20-603. Improvements and funding authorized - how**

1 **instituted - conditions.** (1) (c) If any improvement or transportation
2 services authorized by this subsection (1) are funded by sales tax, the tax
3 may also be used for the operation and maintenance of such improvement
4 or services, ~~and~~ for the production and distribution of informational
5 products and materials, AND FOR THE ORGANIZATION, PROMOTION,
6 MARKETING, AND MANAGEMENT OF PUBLIC EVENTS.

7 (2.5) (a) THE BOUNDARIES OF ANY DISTRICT ORGANIZED UNDER
8 THE PROVISIONS OF THIS PART 6 MAY BE CHANGED IN THE MANNER
9 PRESCRIBED IN THIS SUBSECTION (2.5); EXCEPT THAT THE CHANGE OF
10 BOUNDARIES OF THE DISTRICT SHALL NOT IMPAIR OR AFFECT THE
11 DISTRICT'S ORGANIZATION OR RIGHTS IN OR TO PROPERTY OR ANY OF THE
12 DISTRICT'S RIGHTS OR PRIVILEGES WHATSOEVER, NOR SHALL THE CHANGE
13 AFFECT OR IMPAIR OR DISCHARGE ANY CONTRACT, OBLIGATION, LIEN, OR
14 CHARGE FOR OR UPON WHICH THE DISTRICT MIGHT BE LIABLE OR
15 CHARGEABLE HAD ANY SUCH CHANGE OF BOUNDARIES NOT BEEN MADE.
16 THE OWNERS OF PROPERTY PROPOSED TO BE INCLUDED OR EXCLUDED MAY
17 FILE A PETITION WITH THE BOARD, IN WRITING, REQUESTING THAT SUCH
18 PROPERTY BE INCLUDED IN OR EXCLUDED FROM THE DISTRICT. THE
19 PETITION SHALL DESCRIBE THE PROPERTY OWNED BY THE PETITIONERS
20 AND SHALL BE VERIFIED. THE PETITION SHALL BE ACCOMPANIED BY A
21 DEPOSIT OF MONEYS SUFFICIENT TO PAY ALL COSTS OF THE INCLUSION OR
22 EXCLUSION PROCEEDINGS. THE COUNTY CLERK AND RECORDER SHALL
23 CAUSE NOTICE OF THE FILING OF SUCH PETITION TO BE GIVEN AND
24 PUBLISHED, WHICH NOTICE SHALL STATE THE FILING OF SUCH PETITION,
25 THE NAMES OF THE PETITIONERS, DESCRIPTIONS OF THE PROPERTY SOUGHT
26 TO BE INCLUDED OR EXCLUDED, AND THE REQUEST OF SAID PETITIONERS.

27 (b) THE NOTICE OF THE FILING OF A PETITION REQUIRED BY

1 PARAGRAPH (a) OF THIS SUBSECTION (2.5) SHALL INFORM ALL PERSONS
2 HAVING OBJECTIONS TO APPEAR AT THE TIME AND PLACE STATED IN SAID
3 NOTICE AND SHOW CAUSE WHY THE PETITION SHOULD NOT BE GRANTED.
4 THE BOARD, AT THE TIME AND PLACE MENTIONED IN THE NOTICE OR AT
5 ANY TIME TO WHICH THE HEARING MAY BE ADJOURNED, SHALL PROCEED
6 TO HEAR THE PETITION AND ALL OBJECTIONS THERETO THAT MAY BE
7 PRESENTED BY ANY PERSON SHOWING CAUSE WHY SAID PETITION SHOULD
8 NOT BE GRANTED. THE FAILURE OF ANY INTERESTED PERSON TO SHOW
9 CAUSE SHALL BE DEEMED AS AN ASSENT ON THE PERSON'S PART TO THE
10 INCLUSION OR EXCLUSION OF SUCH PROPERTY AS REQUESTED IN THE
11 PETITION. IF THE CHANGE OF BOUNDARIES OF THE DISTRICT DOES NOT
12 ADVERSELY AFFECT THE DISTRICT AND IF THE PETITION IS GRANTED, THE
13 BOARD SHALL ADOPT AN ORDINANCE CHANGING THE BOUNDARIES OF THE
14 DISTRICT ACCORDINGLY AND FILE A CERTIFIED COPY OF THE ORDINANCE
15 WITH THE COUNTY CLERK AND RECORDER OF THE COUNTY IN WHICH THE
16 PROPERTY IS LOCATED, AND THE PROPERTY IS THEREAFTER INCLUDED IN
17 OR EXCLUDED FROM THE DISTRICT AS APPLICABLE.

18 (c) THE BOARD SHALL TAKE INTO CONSIDERATION AND MAKE A
19 FINDING REGARDING ALL OF THE FOLLOWING FACTORS WHEN
20 DETERMINING WHETHER TO GRANT OR DENY THE PETITION:

21 (I) THE BEST INTERESTS OF ALL OF THE FOLLOWING:

22 (A) THE PROPERTY TO BE INCLUDED OR EXCLUDED IN THE LOCAL
23 IMPROVEMENT DISTRICT;

24 (B) THE LOCAL IMPROVEMENT DISTRICT FOR WHICH THE CHANGE
25 OF BOUNDARIES IS PROPOSED; AND

26 (C) THE COUNTY OR COUNTIES IN WHICH THE LOCAL
27 IMPROVEMENT DISTRICT IS LOCATED;

1 (II) THE RELATIVE COST AND BENEFIT TO THE PROPERTY TO BE
2 INCLUDED IN OR EXCLUDED FROM THE DISTRICT; AND

3 (III) THE ABILITY OF THE LOCAL IMPROVEMENT DISTRICT TO
4 PROVIDE ECONOMICAL AND SUFFICIENT IMPROVEMENTS OR SERVICES TO
5 BOTH THE PROPERTY TO BE INCLUDED OR EXCLUDED AND ALL OF THE
6 PROPERTIES WITHIN THE DISTRICT'S BOUNDARIES.

7 (d) ALL PROPERTY INCLUDED IN OR EXCLUDED FROM A DISTRICT
8 IS SUBJECT TO THE LEVY OF TAXES, ASSESSMENTS, OR BOTH, FOR THE
9 PAYMENT OF THE PROPERTY'S PROPORTIONATE SHARE OF ANY
10 INDEBTEDNESS OF THE DISTRICT OUTSTANDING AT THE TIME OF THE
11 PROPERTY'S INCLUSION OR EXCLUSION.

12 **SECTION 3. Act subject to petition - effective date.** This act
13 takes effect at 12:01 a.m. on the day following the expiration of the
14 ninety-day period after final adjournment of the general assembly (August
15 7, 2013, if adjournment sine die is on May 8, 2013); except that, if a
16 referendum petition is filed pursuant to section 1 (3) of article V of the
17 state constitution against this act or an item, section, or part of this act
18 within such period, then the act, item, section, or part will not take effect
19 unless approved by the people at the general election to be held in
20 November 2014 and, in such case, will take effect on the date of the
21 official declaration of the vote thereon by the governor.