

First Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO

**REENGROSSED**

*This Version Includes All Amendments  
Adopted in the House of Introduction*

LLS NO. 13-0384.01 Gregg Fraser x4325

**HOUSE BILL 13-1036**

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**HOUSE SPONSORSHIP**

**Singer,**

**SENATE SPONSORSHIP**

**Heath and Nicholson,**

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**House Committees**

Local Government  
Appropriations

**Senate Committees**

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**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.

HOUSE  
3rd Reading Unamended  
March 5, 2013

HOUSE  
Amended 2nd Reading  
March 1, 2013

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

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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 EXCEPT THAT, IN A~~  
12 ~~DISTRICT IN WHICH A SALES TAX IS LEVIED, A NONCONTIGUOUS PART OR~~  
13 ~~SECTION MAY ONLY BE INCLUDED IF THE OWNERS OF ANY PROPERTY~~  
14 ~~WITHIN SUCH PART OR SECTION PETITIONED TO BE INCLUDED IN THE~~  
15 ~~DISTRICT. No~~ district shall include territory that is included in an  
16 undissolved district that was formed for the same type of improvement.  
17 Notwithstanding any other provision of this part 6 and except in the case  
18 of a district formed prior to December 31, 2002, by a city that has been  
19 authorized to become a city and county pursuant to an amendment to the  
20 state constitution that has been approved by the registered electors of the  
21 state of Colorado, no district in which a sales tax is levied pursuant to  
22 section 30-20-604.5 shall be formed that includes territory within a  
23 municipality, and any such district shall be as compact as possible. Except  
24 as provided in section 30-20-603 (11.5) (b) (I), no district that crosses  
25 county boundaries may be formed by intergovernmental agreement or

1 otherwise.

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

4 **30-20-603. Improvements and funding authorized - how**  
5 **instituted - conditions.** (1) (c) If any improvement or transportation  
6 services authorized by this subsection (1) are funded by sales tax, the tax  
7 may also be used for the operation and maintenance of such improvement  
8 or services, ~~and~~ for the production and distribution of informational  
9 products and materials, AND FOR THE ORGANIZATION, PROMOTION,  
10 MARKETING, AND MANAGEMENT OF PUBLIC EVENTS.

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

1 PUBLISHED, WHICH NOTICE SHALL STATE THE FILING OF SUCH PETITION,  
2 THE NAMES OF THE PETITIONERS, DESCRIPTIONS OF THE PROPERTY SOUGHT  
3 TO BE INCLUDED OR EXCLUDED, AND THE REQUEST OF SAID PETITIONERS.

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

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

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

26 (A) THE PROPERTY TO BE INCLUDED OR EXCLUDED IN THE LOCAL  
27 IMPROVEMENT DISTRICT;

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

3 (C) THE COUNTY OR COUNTIES IN WHICH THE LOCAL  
4 IMPROVEMENT DISTRICT IS LOCATED;

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

7 (III) THE ABILITY OF THE LOCAL IMPROVEMENT DISTRICT TO  
8 PROVIDE ECONOMICAL AND SUFFICIENT IMPROVEMENTS OR SERVICES TO  
9 BOTH THE PROPERTY TO BE INCLUDED OR EXCLUDED AND ALL OF THE  
10 PROPERTIES WITHIN THE DISTRICT'S BOUNDARIES.

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

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