

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL 647

6 By: Silk

7 COMMITTEE SUBSTITUTE

8 An Act relating to cities and town; amending 11 O.S.
9 2011, Sections 39-102, 39-103, 39-104, 39-105, 39-
10 106, 39-107, 39-108, 39-109, 39-110, 39-111, 39-112
11 and 39-116, which relate to improvement districts;
12 modifying certain definition; adding term; modifying
13 certain designated entity within improvement
14 districts; adding certain services to list of certain
15 authorized improvements; clarifying entity eligible
16 for certain determination; clarifying area subject to
17 certain assessment; modifying certain condition of
18 petition; providing additional method for creation of
19 certain districts; providing procedures; clarifying
20 requirements of certain notice; clarifying
21 requirements of certain hearing; adding certain
22 statutory reference; providing for certain non-
23 applicability; modifying certain authorization for
24 objections; adding reference to certain plan;
providing for certain non-applicability; modifying
time component for collection of assessments; making
gender neutral; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 11 O.S. 2011, Section 39-102, is
amended to read as follows:

Section 39-102. As used in the Improvement District Act, the
singular includes the plural and:

- 1 1. "Acquired" means the acquisition of property or interests in
2 property by purchase, gift, condemnation or other lawful means;
- 3 2. "City" means any city or town incorporated pursuant to the
4 laws of Oklahoma;
- 5 3. "Engineer" means a city engineer, city official, employee or
6 other person competent to advise and assist the governing body in
7 planning and making an improvement;
- 8 4. "Cost" means any cost necessarily or reasonably incurred in
9 making the improvement, including but not limited to cost of:
- 10 a. preparation of preliminary reports,
11 b. preparation of plans and specifications,
12 c. preparation and publication of notices of hearings,
13 resolutions, ordinances and other proceedings,
14 d. fees and expenses for engineers, attorneys, laborers
15 and other personal services,
16 e. rights-of-way, materials and other lawful expenses
17 incurred in making any improvement, and
18 f. capitalized interest, funding of reserves, premiums
19 for reserve surety bonds, and obtaining bond
20 insurance, letters of credit or other credit
21 enhancements or liquidity instruments;
- 22 5. "District" means an area designated by the governing body to
23 be benefited by an improvement and subjected to payment of special
24 assessments for all or a portion of the cost of the improvement;

1 6. "Governing body" means the city council, city commission or
2 board of trustees of an incorporated city or town;

3 7. "Improve" means to construct, reconstruct, maintain,
4 restore, replace, renew, repair, install, equip, extend, purchase,
5 alter or otherwise perform any work which provides a new facility,
6 or enhances, extends or restores the value or usefulness of an
7 existing facility;

8 8. "Improvement" means any type of improvement made or service
9 provided by authority of this Improvement District Act and includes
10 reimprovement of any prior improvement made pursuant to any other
11 act;

12 9. "Mail" means by first-class mail;

13 10. "Trustee" means a city acting pursuant to this act;

14 11. "Street" means any highway, street, alley, boulevard,
15 avenue, right-of-way, public ground, or other public facility, or
16 any part thereof; ~~and~~

17 12. "Publish" or "publication" means printing in a newspaper
18 which maintains an office in the city or town and is of general
19 circulation within the city or town, or, if there is no newspaper
20 which maintains an office in the city or town, a newspaper of
21 general circulation within the city or town and in two (2) separate
22 issues thereof, at least seven (7) days apart; and

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1 13. "Business" means any enterprise operating within the
2 jurisdiction of the governing body which is licensed to conduct
3 business.

4 SECTION 2. AMENDATORY 11 O.S. 2011, Section 39-103, is
5 amended to read as follows:

6 Section 39-103. The governing body of any city may create one
7 or more districts for the purpose of making or causing to be made
8 any improvement or combination of improvements that confer special
9 benefit upon property or businesses within the district. Such
10 improvement or combination of improvements may include the
11 following, without limitation because of enumeration:

12 1. Acquisition of property or interest in property when
13 necessary for any of the purposes authorized by the Improvement
14 District Act;

15 2. Opening, creating, widening and extending or altering of
16 streets to improve paving, and surfacing, constructing and
17 reconstructing gutters, curbs, sidewalks, crosswalks, driveway
18 entrances and structures, drainage facilities, and service
19 connections from sewers, water, gas, electricity and other utility
20 mains, conduits or pipes;

21 3. Constructing or improving main and lateral storm water
22 drains and sanitary sewer systems and facilities;

23 4. Installation or improvement of street lights and street
24 lighting systems;

1 5. Construction or improvement of water mains and waterworks
2 systems;

3 6. Improvement of parks, playgrounds and recreational
4 facilities;

5 7. Improvement of any street, parking or other facility by
6 landscaping, or planting of trees, shrubs and other plants;

7 8. Constructing or improving dikes, levees and other flood
8 control works, gates, lift stations, bridges and streets appurtenant
9 thereto;

10 9. Constructing or improving vehicle and pedestrian bridges,
11 overpasses and tunnels;

12 10. Constructing or improving retaining walls and area walls on
13 public ways or land abutting thereon;

14 11. Constructing or improving property for off-street parking
15 facilities, including construction and equipment of buildings
16 thereon;

17 12. Constructing or improving pedestrian malls; ~~or~~

18 13. Constructing or improving offsite facilities or
19 infrastructure serving all or a portion of land within a district;
20 notwithstanding that, such facilities or infrastructure may also
21 serve areas outside a district, but subject to cost apportionment
22 requirements of subsection A of Section 39-110 of this title; or
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1 14. Services of marketing, promoting or branding of the
2 governing jurisdiction or any improvements or business with the
3 governing jurisdiction.

4 SECTION 3. AMENDATORY 11 O.S. 2011, Section 39-104, is
5 amended to read as follows:

6 Section 39-104. Any district may include one or more streets or
7 areas which need not be contiguous and may include two (2) or more
8 types of improvements. Such improvements may be included in one (1)
9 proceeding and constructed and financed as one improvement. The
10 district shall include, for the purpose of assessment, all the
11 property or businesses which the governing body determines is
12 benefited by the improvement or improvements, including property
13 utilized for public, governmental, burial, or charitable purposes,
14 except property of any religious organization used primarily for
15 religious purposes, or of the United States, or any agency,
16 instrumentality or corporation thereof, in the absence of consent of
17 Congress. The board of county commissioners, the governing body of
18 a city, town, school district or any agency or institution of state
19 government is authorized to pay the amount assessed against property
20 under its ownership or control.

21 SECTION 4. AMENDATORY 11 O.S. 2011, Section 39-105, is
22 amended to read as follows:

23 Section 39-105. A. Whenever the boundary of a city is upon or
24 along any street which at that point lies wholly within, partly

1 within or partly without or wholly outside of its boundary, but
2 contiguous to the boundary of the city, the governing body of such
3 city may include the street in the district, improve that portion of
4 such street and assess a part of the cost thereof against the
5 abutting property or businesses lying on both sides of such street.
6 Provided, however, if such street is wholly or partly within the
7 boundary of another city, the governing body of such other city
8 shall, by resolution, consent to the improvement and give its
9 consent to assessment of the benefited property or businesses.

10 B. If, within thirty (30) days after the adoption of the
11 ordinance levying the assessment by the city creating the district,
12 the governing body of the city in which the property or business is
13 situated does not, by resolution, consent or ratify the assessments,
14 the governing body of the city creating the district may:

15 1. Modify the boundary of the district to exclude the property
16 or businesses from the district;

17 2. Assume the cost of the improvement assessed against the
18 property or businesses lying beyond the boundary of the city; or

19 3. Nullify the proceedings, including any contract, relating to
20 the district. Any failure on the part of the governing body of the
21 other city to ratify the assessments levied by the city creating the
22 improvement district shall not affect the validity of the
23 assessments which have been levied against any property or

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1 businesses lying within the limits of the city creating the
2 improvement district.

3 C. The owner, or his designated agent, of any property or
4 business lying outside the boundary of the city creating the
5 district and in the district, including the county and any affected
6 subdivision outside the city, shall have the same rights granted to
7 owners of property or business lying within the boundary of the city
8 creating the district.

9 D. Whenever a part of the boundary of two or more cities is
10 upon or along any street or is along the edge of any street and the
11 governing bodies of the cities determine the necessity for making an
12 improvement upon any portion of the street, the governing bodies of
13 the cities may contract, upon such terms as are to them mutually
14 agreeable, to make the improvement. The contract shall:

15 1. Authorize one of the cities to create the district pursuant
16 to the Improvement District Act; and

17 2. Prescribe the apportionment of the costs, if any, among the
18 cities and the manner and payment of such cost. The payment of such
19 costs by the cities party to the contract is lawful whether the
20 improvement is wholly within, partly within and partly without or
21 wholly outside its limits.

22 SECTION 5. AMENDATORY 11 O.S. 2011, Section 39-106, is
23 amended to read as follows:

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1 Section 39-106. A. For area within the boundary of a city, a
2 petition shall be filed with the city clerk. The petition shall
3 state in bold, capitalized letters at the top of the page that the
4 cost of the proposed improvements shall be assessed against the
5 property or businesses benefited by the improvements. In addition,
6 the petition shall be in a format which:

7 1. Sets forth:

- 8 a. the general nature of the improvements to be made,
- 9 b. the estimated or probable cost of the proposal,
- 10 c. the area of the proposed district to be assessed,
- 11 d. the proposed method of assessment, and
- 12 e. the proposed apportionment of cost, if any, between
13 the district and the city at large; and

14 2. Is signed by:

- 15 a. a majority of the resident owners of record of
16 property liable for assessment under the proposal, or
- 17 b. the resident owners of record of more than one-half
18 (1/2) of the area liable for assessment under the
19 proposal, or
- 20 c. the owners of record of more than one-half (1/2) of
21 the area liable to be assessed under the proposal, or
- 22 d. in the case of assessments levied against businesses,
23 businesses which are estimated to pay one-half (1/2)

1 of the total assessment to be paid in the district's
2 initial year.

3 B. For area outside the boundary of a city, a petition shall be
4 filed with the city clerk which:

5 1. Sets forth:

- 6 a. the general nature of the improvements to be made,
- 7 b. the estimated or probable cost of the proposal,
- 8 c. the area of the proposed district to be assessed,
- 9 d. the proposed method of assessment,
- 10 e. the proposed apportionment of cost, if any, between
11 the district and the city at large; and

12 2. Is signed by:

- 13 a. a majority of the resident owners of record of
14 property liable for assessment under the proposal, and
- 15 b. the owners of record of more than one-half (1/2) of
16 the area liable for assessment under the proposal; and

17 3. States the area is contiguous to, but not within, the
18 boundary of the city.

19 C. ~~Whenever~~ Except as provided in subsection F of this section,
20 whenever the governing body, either upon its own initiative or in
21 response to a petition, determines that the creation of ~~the~~ a
22 district is necessary, it may by resolution direct the engineer to
23 prepare preliminary plans and an estimate of cost for the proposed
24 district. The resolution shall:

- 1 1. Describe in general terms the property to be included in the
2 district;
- 3 2. Require the engineer to prepare:
- 4 a. an assessment plat showing the area to be included in
5 the improvement district, and
- 6 b. an addendum to the assessment plat showing the amount
7 of maximum benefit estimated to be assessed against
8 each tract or parcel in the district on a front-foot,
9 zone, area or other equitable basis, which basis shall
10 be set forth in the resolution; and
- 11 3. Require the engineer to prepare preliminary plans for one or
12 more types of improvement showing:
- 13 a. for each type of curb, gutter, sidewalk and street, a
14 typical section of the contemplated improvement, the
15 type of material to be used and the approximate
16 thickness and width of the material,
- 17 b. for each type of storm sewer or drain, sanitary sewer
18 or water line, the type of material and approximate
19 diameter or diameters of any trunk lines, mains,
20 laterals or house connections, or
- 21 c. for each other type of improvement or other major
22 component of the foregoing types of improvements, a
23 general description.
- 24

1 D. The engineer shall include in the total cost estimate for
2 the district all expenses including but not limited to advertising,
3 legal, appraising, engineering and printing expenses which the
4 engineer deems necessary to pay the complete cost of the
5 improvement.

6 E. The engineer shall submit to the city clerk the:

- 7 1. Assessment plat;
- 8 2. Preliminary plans of the type of construction; and
- 9 3. Estimate of costs for the improvement.

10 F. Wherever the governing body, either upon its own initiative
11 or in response to a petition determines that the creation of a
12 district providing services pursuant to paragraph 14 of Section 39-
13 103 of this title is necessary, the following procedures and rules
14 shall apply in lieu of subsections C, D and E of this section.

15 The engineer's report referred to throughout this act shall not
16 be required for the districts. Such districts shall be supported by
17 a management plan which contains:

18 1. A map of the district's exterior boundaries in sufficient
19 detail to allow a business owner to reasonably determine whether a
20 business is located within the district boundaries;

21 2. A description of the kinds of businesses to be included in
22 the district and a list of the businesses to be assessed upon the
23 district's creation including the address of each business;
24

1 3. A description of the assessment methodology including but
2 not limited to collection and enforcement provisions;

3 4. The specific number of years for which the assessment will
4 be levied including the start and end date;

5 5. A designation of the initial service provider; and

6 6. Any other rules and regulations to be applicable to the
7 district.

8 G. After the governing body examines the assessment plat,
9 preliminary plans, and estimates of cost of improvements or service
10 for the district, the governing body may adopt a resolution which:

11 1. Proposes that the district be created and the improvement to
12 be constructed or provided; and

13 2. Instructs the city clerk or engineer to give notice of a
14 hearing on the proposed district.

15 SECTION 6. AMENDATORY 11 O.S. 2011, Section 39-107, is
16 amended to read as follows:

17 Section 39-107. A. The notice as to creating an improvement
18 district shall:

19 1. Contain the time and place when the governing body shall
20 hold a hearing on the resolution to create the district;

21 2. Describe the improvement to be constructed or provided and
22 the general location thereof; and

23 3. State that any interested person may ascertain in the office
24 of the municipal clerk:

- 1 a. a description of the property or businesses to be
2 assessed, and
3 b. the maximum amount of benefit estimated to be
4 conferred on each tract or parcel of land or business.

5 B. Not more than thirty (30) days nor less than ten (10) days
6 before the day of the hearing, the city clerk, his or her deputy or
7 the engineer shall mail the notice of the hearing on the proposed
8 district to the owner of the tract or parcel of land or owner of the
9 businesses to be assessed the cost of the improvement at ~~his~~ the
10 last-known address. The name and address of the owner of each tract
11 of land shall be obtained from the records of the county treasurer,
12 and the name and address of the owner of each business shall be
13 obtained from the records of the city. The notice shall contain a
14 preliminary basis for estimating the assessment. Proof of the
15 mailing is to be made by affidavit of the city clerk, his or her
16 deputy, or the engineer, which shall be filed in the office of the
17 city clerk. Failure of the owner to receive any notice shall not
18 invalidate any of the proceedings authorized in the Improvement
19 District Act.

20 C. Notice of the hearing shall also be published. The last
21 publication shall be at least seven (7) days prior to the day of the
22 hearing. Such service by publication shall be verified by an
23 affidavit of the publisher which is to be filed in the office of the
24 city clerk.

1 SECTION 7. AMENDATORY 11 O.S. 2011, Section 39-108, is
2 amended to read as follows:

3 Section 39-108. A. At the hearing of the governing body on the
4 proposed resolution creating a district, any interested person or
5 owner of property or businesses to be assessed for the improvement
6 may file a written protest or objection questioning the:

7 1. Propriety and advisability of constructing or providing the
8 improvement;

9 2. Estimated cost of the improvement;

10 3. Manner of paying for the improvement; and

11 4. Amount to be assessed against the individual tract or parcel
12 of land or business.

13 B. The governing body may recess the hearing from time to time
14 so that all protestants may be heard.

15 C. At the hearing, the governing body may:

16 1. Correct any mistake or irregularity in any proceeding
17 relating to the improvement;

18 2. Correct an assessment made against any tract or parcel of
19 land or business;

20 3. In case of any invalidity, reassess the cost of the
21 improvement against an abutting tract or parcel of land or business;

22 4. Delete any tract or parcel of land or business, protested by
23 the owner, from the district; and

24 5. Recess the hearing from time to time.

1 D. Within thirty (30) days after the governing body has
2 concluded the hearing; determined the advisability of providing or
3 constructing the improvement and the type and character of the
4 improvement; and created the improvement district, any person who,
5 during the hearing, filed a written protest with the governing body
6 protesting the construction or provision of the improvement may
7 commence an action in district court to correct or set aside the
8 determination of the governing body. After the lapse of thirty (30)
9 days succeeding the determination of the governing body, any action
10 attacking the validity of the proceedings and the amount of benefit
11 to be derived from the improvement is perpetually barred. Provided,
12 however, if the owners of fifty percent (50%) or more in area of the
13 tracts or parcels within the district or a majority of the owners of
14 record of property in the assessment area or businesses which pay
15 more than one-half (1/2) of the estimated annual assessment protest,
16 in writing, the creation of the district, the district shall not be
17 created.

18 SECTION 8. AMENDATORY 11 O.S. 2011, Section 39-109, is
19 amended to read as follows:

20 Section 39-109. After the governing body creates a district,
21 the governing body may proceed, either to make the improvement by
22 force accounting, or call for sealed bids on the proposed
23 improvement, or where the district comprises land owned by a single
24 party, developer, or other legal entity that has petitioned for the

1 creation of the district, contract with that single party, developer
2 or other legal entity to make the improvement for future dedication
3 or other conveyance to the city; provided, however, in the case of
4 the districts created pursuant to Section 39-103.1 or paragraph 14
5 of Section 39-103 of this title and except as otherwise provided in
6 this section, the governing body may contract for said services
7 without calling for sealed bids or force accounting. The notice
8 shall state the manner of payment to the contractor and whether the
9 contractor will be paid in money, in bonds or in a proportion of
10 money and bonds for making the improvement. The governing body may
11 to the extent that funds are available authorize payments to the
12 contractor during the construction of the improvement provided that
13 the payments do not exceed the amount of work completed and that ten
14 percent (10%) of such payments shall be retained by the city pending
15 final acceptance by the city of the improvement. The term
16 "improvement" as used in this section and Sections 101 through 136
17 of Title 61 of the Oklahoma Statutes shall not include any services
18 or maintenance authorized and provided pursuant to Section 39-103.1
19 or paragraph 14 of Section 39-103 of this title.

20 SECTION 9. AMENDATORY 11 O.S. 2011, Section 39-110, is
21 amended to read as follows:

22 Section 39-110. A. Following a hearing held pursuant to
23 Section 39-108 of this title, the governing body shall determine the
24 maximum portion of the total estimated cost of the improvement that

1 shall be assessed against benefited tracts or parcels of land or, if
2 a contract for construction or acquisition of improvements has
3 already been awarded, the portion of the total actual cost of the
4 improvement to be assessed against such tracts or parcels. The
5 maximum annual assessment may include the estimated costs of the
6 administration and collection of assessments and the administration
7 of associated bonds or other related funds. The governing body may
8 use funds from any source, public or private, to pay for all or a
9 portion of the assessment or the cost of the improvement. The
10 assessment, including the cost of the improvement at an
11 intersection, shall not exceed the estimated benefit to the tract or
12 parcel of land assessed. Provided, however, the cost per front foot
13 to be assessed against the benefiting property for paving a street,
14 for paving alone, shall not exceed the cost per front foot assessed
15 for paving a street that does not exceed thirty-six (36) feet in
16 width.

17 B. With the assistance of the engineer, the governing body
18 shall prepare and cause to be filed in the office of the city clerk
19 an assessment roll containing, among other things:

20 1. The name and address of the last-known owner of each tract
21 or parcel of land to be assessed, or if the name of the owner is
22 unknown, state "unknown". The name and address of the owner of each
23 tract of land shall be obtained from the records of the county
24 treasurer;

1 2. A description of the tract or parcel of land to be assessed;
2 and

3 3. The amount of the assessment against each tract or parcel of
4 land.

5 C. After the filing of the assessment roll, the governing body
6 shall, by resolution, set a time and place for the assessment
7 hearing when an owner may object to the amount of the assessment.

8 D. With regard to a district providing services pursuant to
9 paragraph 14 of Section 39-103 of this title, subsections A, B, and
10 C of Section 39-110 of this title shall not apply and the governing
11 body shall provide notices to each business of the assessment
12 methodology.

13 E. Not more than thirty (30) days nor less than ten (10) days
14 before the day of the hearing, the city clerk, the city clerk's
15 deputy or the engineer shall mail the notice of the hearing ~~on the~~
16 ~~assessment roll~~ to the each business or owner of the tract or parcel
17 of land being assessed the cost of the improvement. Proof of the
18 mailing is to be made by affidavit of the city clerk, the city
19 clerk's deputy or the engineer, which shall be filed in the office
20 of the city clerk. Failure of the owner to receive any notice shall
21 not invalidate any of the proceedings authorized in the Improvement
22 District Act. Notice of the hearing shall also be published. The
23 last publication shall be at least seven (7) days prior to the day
24 of the hearing. Such service by publication shall be verified by an

1 affidavit of the publisher which is to be filed in the office of the
2 city clerk.

3 ~~E.~~ F. Any property which shall be owned by the city, town or
4 county, or any board of education or school district, shall be
5 treated and considered the same as the property of other owners, and
6 such city, town, county, school district or board of education
7 within such district to be assessed may pay the total assessment
8 against its property without interest within thirty (30) days from
9 the date of the publication of the ordinance levying the assessment,
10 or, in the event the same is not paid in full without interest
11 within ~~said~~ the thirty-day period, such city, town, county, school
12 district or board of education shall annually provide by the levy of
13 taxes a sufficient sum to pay the maturing installments of
14 assessments and interest thereon.

15 SECTION 10. AMENDATORY 11 O.S. 2011, Section 39-111, is
16 amended to read as follows:

17 Section 39-111. A. Not later than three (3) days before the
18 date of the hearing on the assessment roll, any owner of a business
19 listed in the management plan of the district or a tract or parcel
20 of land which is listed on the assessment roll may file his or her
21 specific objections to the amount of the assessment in writing with
22 the city clerk. Unless presented as required in this subsection,
23 any objection is deemed waived as to the regularity, validity and
24 correctness of:

- 1 1. The proceedings;
- 2 2. The assessment roll;
- 3 3. Each assessment contained on the assessment roll; or
- 4 4. The amount of the assessment levied against each business or
5 tract or parcel of land.

6 B. At the hearing, the governing body shall hear all objections
7 which have been filed as provided in this section and may recess the
8 hearing from time to time and, by resolution, revise, correct,
9 confirm or set aside any assessment and order another assessment be
10 made de novo.

11 C. The governing body by ordinance shall by reference to such
12 assessment roll, or assessment roll as modified, if modified, and as
13 confirmed by resolution, levy the assessments contained in the
14 assessment roll or management plan. The decision, resolution and
15 ordinance of the governing body shall be:

16 1. A final determination of the regularity, validity and
17 correctness of the proceedings, the assessment roll or management
18 plan, each assessment contained on the assessment roll, the amount
19 of the assessment levied against each business or tract or parcel of
20 land; and

21 2. Conclusive upon the owners of the business or tract or
22 parcel of land assessed.

23 D. Within fifteen (15) days after the publication or posting of
24 the ordinance, any owner who has filed an objection as provided in

1 this section may commence an action in district court to correct or
2 set aside the determination of the governing body. After the lapse
3 of fifteen (15) days after the publication or posting of the
4 ordinance, all actions, which include the defense of confiscation or
5 attack the regularity, validity and correctness of the proceedings,
6 the assessment roll, each assessment contained on the assessment
7 roll, and the amount of the assessment levied against each business
8 or tract or parcel of land, are perpetually barred.

9 SECTION 11. AMENDATORY 11 O.S. 2011, Section 39-112, is
10 amended to read as follows:

11 Section 39-112. A. The governing body may by ordinance:

12 1. Establish the time and terms of paying the assessment or an
13 installment on the assessment;

14 2. Set a rate of interest not exceeding ten percent (10%) per
15 annum upon deferred payments of the assessment which shall commence
16 from the date of publication of the ordinance ratifying the
17 assessment;

18 3. Set interest rates not exceeding ten percent (10%) per annum
19 upon the outstanding principal amount of bonds issued by a district
20 pursuant to Section 39-115 of this title; and

21 4. Fix penalties to be charged for delinquent payment of an
22 installment on an assessment.

23 B. After the publication of the ordinance ratifying an
24 assessment levied as provided in Section 39-111 of this title, the

1 assessment with any interest or penalty accruing on such assessment
2 shall constitute a lien upon the business or tract or parcel of land
3 so assessed. Such lien shall be coequal with the lien for ad
4 valorem taxes and the lien of other improvement districts, and be
5 superior to all other liens, claims and titles. Unmatured
6 installments are not deemed to be within the terms of any general
7 covenant or warranty. All purchasers, mortgagees or encumbrancers
8 of a tract or parcel of land so assessed shall acquire the tract or
9 parcel of land subject to the lien so created.

10 C. Within sixty (60) days after the publication of the
11 ordinance ratifying an assessment roll, the city clerk shall
12 prepare, sign, attest with the municipal seal and record in the
13 office of the county clerk a claim of lien for any unpaid amount due
14 and assessed against a tract or parcel of land.

15 D. Any tract or parcel so assessed shall not be relieved from
16 the assessment or lien by the sale of the tract or parcel of land
17 for taxes or any other assessment, subject to the provisions of
18 Section 39-119 of this title. The statute of limitations shall not
19 begin to run against an assessment until after the last installment
20 of the assessment becomes due.

21 E. The fact that an improvement is omitted in front of any
22 tract or parcel of land does not invalidate a lien or assessment
23 made against any other tract or parcel of land.

24

1 F. A delinquent installment of an assessment shall be
2 foreclosed and the tract or parcel of land concerned be sold in the
3 manner provided by law for foreclosure of mortgages on land. If, at
4 the sale, there is no better bidder for the tract or parcel of land
5 the municipality shall bid in the tract or parcel of land for the
6 amount due on the assessment plus any interest, penalties or costs
7 which have accrued against the assessment. Any real estate sold
8 under any order, judgment or decree of court to satisfy the lien may
9 be redeemed by the owner or his or her assignee at any time within
10 one (1) year of the date of sale by paying to the purchaser thereof
11 or assignee the amount paid with interest from the date of purchase
12 at the rate of twelve percent (12%) per annum.

13 G. With regard to a district providing services pursuant to
14 paragraph 14 of Section 39-103, subsections A through F of this
15 section shall not be applicable and the governing body shall provide
16 as part of the management plan procedures related to the collection
17 and enforcement of the assessment.

18 SECTION 12. AMENDATORY 11 O.S. 2011, Section 39-116, is
19 amended to read as follows:

20 Section 39-116. A. Whenever a district has been created and
21 bonds have been issued to finance the improvement, a city shall
22 either itself, or acting through a third party administrator:

23 1. Collect the assessments ~~annually or semiannually~~
24 periodically;

1 2. Act as trustee for the benefit of the holders of the bonds;
2 provided that, the city may contract with a bank with trust powers
3 to act as trustees;

4 3. Annually prepare a statement which shall:

- 5 a. be available for inspection in the office of the city
6 treasurer,
- 7 b. reflect the financial condition of the district,
- 8 c. list all the delinquencies existing at that time, and
- 9 d. institute proceedings to foreclose the assessment lien
10 against any tract or parcel of land which is
11 delinquent in the payment of the assessment or
12 installment of an assessment for a period of more than
13 one (1) year. In lieu of the foreclosure of a lien
14 against any tract or parcel of land which is
15 delinquent in the payment of an assessment or
16 installment of an assessment for a period of more than
17 one (1) year, a city may accept a deed to the property
18 subject to the lien if the owner of the property
19 tenders the deed to the municipality.

20 B. If more than one district is created, the money from
21 assessments in each district shall be kept in a separate fund and
22 used for the payment of principal and interest of the bonds
23 outstanding against that district. Nothing herein shall prevent the
24 appointment and compensation by the district of a registrar,

1 transfer, authenticating, paying or other agents to effect the
2 transfer of ownership, change of payee of any bond issued by the
3 district and to maintain books and records relating thereto.

4 C. Neither any member of the governing body of a city creating
5 a district nor any person acting on behalf of the city or district,
6 while acting within the scope of his or her authority, shall be
7 subject to any personal liability for any action taken or omitted
8 within that scope of authority.

9 SECTION 13. It being immediately necessary for the preservation
10 of the public peace, health and safety, an emergency is hereby
11 declared to exist, by reason whereof this act shall take effect and
12 be in full force from and after its passage and approval.

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