

CHAPTER 27-B. COMMUNITY DEVELOPMENT
DISTRICT ACT

§9039.11. Short title

This Chapter may be cited as the "Community Development District Act".
Acts 2001, No. 992, §1.

§9039.12. Legislative findings

The legislature finds that:

(1) There is a need for uniform, focused, and fair procedures in state law to provide a reasonable alternative for the establishment, power, operation, and duration of independent districts to manage and finance basic community development services; and that, based upon a proper and fair determination of applicable facts, an independent district can constitute a timely, efficient, effective, responsive, and economic way to deliver these basic services, thereby providing a solution to the state's planning, management, and financing needs for delivery of capital infrastructure in order to service projected growth without overburdening parishes and municipalities and their taxpayers.

(2) It is the legislative intent and purpose in implementing Article VI, Sections 19 and 36 of the Constitution of Louisiana, based upon, and consistent with, legislative findings of fact and declarations of policy, to authorize a uniform procedure by general law to establish an independent special district as an alternative method to manage and finance basic services for community development through the levy and collection of special assessments. It is further the legislative intent and purpose to provide by general law for the uniform operation, exercise of power, and procedure for termination of any such independent district. It is further the purpose and intent of the legislature that a district created under this Chapter not have or exercise any zoning or permitting power. It is further the purpose and intent of the legislature that no debt or obligation of a district shall constitute a burden on any local government without its consent.

Acts 2001, No. 992, §1.

§9039.13. Definitions

As used in this Chapter, the term:

(1) "Assessable improvements" means any and all public improvements and community facilities that the district is empowered to provide in accordance with this Chapter.

(2) "Assessment bonds" means special obligations of the district which are payable solely from proceeds of the special assessments levied for an assessable project.

(3) "Board" or "board of supervisors" means the governing board of the district or, if such board has been abolished, the board, body, or commission succeeding to the principal functions thereof or to whom the powers given to the board by this Chapter have been given by law.

(4) "Bond" includes "certificate", and the provisions which are applicable to bonds are equally applicable to certificates. The term "bond" includes any assessment bond, refunding bond, revenue bond, and other such obligation in the nature of a bond as is provided for in this Chapter.

(5) "Community development district" or "district" means a special district as provided in Article VI, Section 19 of the Constitution of Louisiana, which is created pursuant to this Chapter and limited to the performance of those specialized functions authorized by this Chapter; the boundaries of which are contained wholly within a single parish; the governing head of which is a body created, organized, and constituted and authorized to function specifically as prescribed in this Chapter for the delivery of community development services; and the formation, powers, governing body, operation, duration, accountability, requirements for disclosure, and termination of which are as required by general law.

(6) "Cost", when used with reference to any project, includes but is not limited to:

(a) The expenses of determining the feasibility or practicability of acquisition, construction, or reconstruction.

(b) The cost of surveys, estimates, plans, and specifications.

(c) The cost of improvements.

(d) Engineering, fiscal, and legal expenses and charges.

(e) The cost of all labor, materials, machinery, and equipment.

(f) The cost of all lands, rights, servitudes, and franchises acquired.

(g) Financing charges.

(h) The creation of initial reserve and debt service funds.

(i) Working capital.

(j) Interest charges incurred or estimated to be incurred on money borrowed prior to and during construction and acquisition and for such reasonable period of time after completion of construction or acquisition as the board may determine.

(k) The cost of issuance of bonds pursuant to this Chapter, including advertisements and printing.

(l) The cost of any election held pursuant to this Chapter and all other expenses of issuance of bonds.

(m) The discount, if any, on the sale or exchange of bonds.

(n) Administrative expenses.

(o) Such other expenses as may be necessary or incidental to the acquisition, construction, or reconstruction of any project or to the financing thereof, or to the development of any lands within the district.

(7) "District manager" means the manager of the district.

(8) "District roads" means highways, streets, roads, alleys, sidewalks, landscaping, storm drains, bridges, and thoroughfares of all kinds and descriptions.

(9) "Landowner" means the owner of immovable property as it appears in the official records of the parish, including a trustee, a private corporation, and an owner of a condominium unit.

(10) "Project" means any development, improvement, property, utility, facility, works, enterprise, or service hereafter undertaken or established under the provisions of this Chapter.

(11) "Revenue bonds" means obligations of the district which are payable from revenues derived from sources other than ad valorem taxes on immovable or movable property and which do not pledge the property, credit, or general tax revenue of the district.

(12) "Sewer system" means any plant, system, facility, or property, and additions, extensions, and improvements thereto useful or necessary in connection with the collection, treatment, or disposal of sewage.

(13) "Water management and control facilities" means any lakes, canals, ditches, reservoirs, dams, levees, floodways, pumping stations, or any other works, structures, or facilities for the conservation, control, development, utilization, and disposal of water, and any purposes incidental thereto.

(14) "Water system" means any plant, system, facility, or property and additions, extensions, and improvements thereto, useful or necessary in connection with the development of sources, treatment, or purification and distribution of water.

Acts 2001, No. 992, §1.

§9039.14. Establishment of district

A. The method for the establishment of a community development district shall be pursuant to an ordinance adopted by the governing body of the parish in which the land is located granting a petition for the establishment of a community development district. The petition for the establishment of a community development district shall be filed by the petitioner with the governing authority of the parish. The petition shall contain:

(1) A description of the boundaries of the district.

(2) The written consent to the establishment of the district by all landowners whose immovable property is to be included in the district.

(3) A designation of five persons to be the initial members of the board of supervisors, who shall serve in that office until replaced by elected members as provided in R.S. 33:9039.15(B)(1).

(4) The proposed name of the district.

(5) A map of the proposed district showing existing infrastructure, if any.

(6) Based upon available data, the proposed timetable for construction of the district services and the estimated cost of constructing the proposed services.

B. A public hearing on the petition shall be conducted by the governing authority of the parish within forty-five days after the petition is filed unless an extension of time is requested by the petitioners and granted by the governing authority of the parish. The hearing shall be held at an accessible location in the parish in which the community development district is to be located. The petitioner shall cause a notice of the hearing to be published in a newspaper at least once a week for the four successive weeks immediately prior to the hearing.

Such notice shall give the time and place for the hearing, a description of the area to be included in the district, and any other relevant information which the establishing governing bodies may require. The advertisement shall be published in the official journal of the parish.

C. The governing authority of the parish shall consider the record of the public hearing and any other relevant factors in making its determination to grant or deny a petition for the establishment of a community development district.

D. An ordinance establishing a community development district shall include the boundaries of the district, the names of the five persons designated to be the initial members of the board of supervisors of the district, and the name of the district.

E. If all of the land in the area for the proposed district is within the territorial jurisdiction of a municipality, then the petition requesting establishment of a community development district under this Chapter shall be filed by the petitioner with that particular municipality. In such event, the duties of the parish, hereinabove described, in action upon the petition shall be the duties of the municipality. If any of the land area of a proposed district is within the land area of a municipality, the governing authority of the parish may not create the district without the approval of the municipality.

Acts 2001, No. 992, §1.

§9039.15. Board of supervisors; members and meetings

A. The board of the district shall exercise the powers granted to the district pursuant to this Chapter. The board shall consist of five members; except as otherwise provided herein, each member shall hold office for a term of four years and until a successor is chosen and qualifies. The initial members of the board shall be residents of the state, and at least one of the initial members shall be a resident of the area immediately adjacent to the district.

B.(1) Commencing six years after the initial appointment of members, the position of each member whose term has expired shall be filled by a qualified elector of the district, elected by the qualified electors of the district in accordance with Title 18 of the Louisiana Revised Statutes of 1950.

(2) Members of the board shall be known as supervisors and, upon entering into office, shall take an oath of office. They shall hold office for the terms for which they were elected or appointed and until their successors are chosen and qualified. If, during the term of office, a vacancy occurs, the remaining members of the board shall fill the vacancy by an appointment for the remainder of the unexpired term.

(3) A majority of the members of the board constitutes a quorum for the purposes of conducting its business and exercising its powers and for all other purposes. Action taken by the district shall be upon a vote of a majority of the members present unless general law or a rule of the district requires a greater number.

(4) As soon as practicable after each election or appointment, the board shall organize by electing one of its members as chair and by electing a secretary, who need not be a member of the board, and such other officers as the board may deem necessary.

(5) The board shall keep a permanent record book in which shall be recorded minutes of all meetings, resolutions, ordinances, proceedings, and any and all corporate acts. The record book shall be opened to inspection in accordance with R.S. 44:31 et seq.

(6) Each supervisor shall be entitled to receive for his or her services a per diem not to exceed seventy-five dollars per meeting and such travel expenses as may be authorized in the bylaws of the district.

(7) All meetings of the board shall be conducted in accordance with R.S. 42:4.1 et seq.

C. In any parish or municipality which operates under a home rule charter which provides for the governing authority of any special district lying wholly within the parish or municipality, such charter provisions shall supersede the provisions of this Chapter relating to the membership of the board.

Acts 2001, No. 992, §1.

§9039.16. Board of supervisors; general duties

A. The board shall employ, and fix the compensation of, a district manager. The district manager shall have charge and supervision of the works of the district and shall be responsible for preserving and maintaining any improvement or facility constructed or erected pursuant to the provisions of this Chapter, for maintaining and operating the equipment owned by the district, and for performing such other duties as may be prescribed by the board. The district manager may hire or otherwise employ and terminate the employment of such other persons, including, without limitation, professional, supervisory, and clerical employees, as may be necessary and authorized by the board. The compensation and other conditions of employment of the officers and employees of the district shall be as provided by the board. Notwithstanding R.S. 42:1101 et seq., the

district manager or a board member or district employee may be a stockholder, officer, or employee of a landowner.

B. The board shall designate a person who is a resident of the state as treasurer of the district, who shall have charge of the funds of the district. Such funds shall be disbursed only upon the order, or pursuant to the resolution, of the board by warrant or check countersigned by the treasurer and by such other person as may be authorized by the board. The board may give the treasurer such other or additional powers and duties as the board may deem appropriate and may fix his or her compensation. The board may require the treasurer to give a bond in such amount, on such terms, and with such sureties as may be deemed satisfactory to the board to secure the performance by the treasurer of his or her powers and duties. The financial records of the district shall be audited by an independent certified public accountant at least once a year.

C. The board may select as a depository for its funds any qualified public depository as defined in R.S. 39:1211 et seq.

Acts 2001, No. 992, §1.

§9039.17. Budget; reports and reviews

A. The district is required to comply with R.S. 39:1301 et seq.

B. At least sixty days prior to adoption, the district board shall submit to the local governing authorities having jurisdiction over the area included in the district, for purposes of disclosure and information only, the proposed annual budget for the ensuing fiscal year and any proposed long-term financial plan or program of the district for future operations.

Acts 2001, No. 992, §1.

§9039.18. Disclosure of public financing

The district shall take affirmative steps to provide for the full disclosure of information relating to the public financing and maintenance of improvements to immovable property undertaken by the district. Such information shall be made available to all existing residents, and to all prospective residents, of the district.

The district shall furnish each developer of a residential development within the district with sufficient copies of that information to provide each prospective initial purchaser of property in that development with a copy.

Acts 2001, No. 992, §1.

§9039.19. General powers

The district shall have, and the board may exercise, the following powers:

(1) To sue and be sued in the name of the district; to adopt and use a seal and authorize the use of a facsimile thereof; to acquire, by purchase, gift, devise,

or otherwise, and to dispose of, immovable and movable property; and to make and execute contracts and other instruments necessary or convenient to the exercise of its powers.

(2) To contract for the services of consultants to perform planning, engineering, financial, legal, or other appropriate services of a professional nature.

(3) To borrow money and accept gifts; to apply for and use grants or loans of money or other property from the United States, the state, a unit of local government, or any person for any district purposes and enter into agreements required in connection therewith; and to hold, use, and dispose of such monies or property for any district purposes in accordance with the terms of the gift, grant, loan, or agreement relating thereto.

(4) To adopt bylaws prescribing the powers, duties, and functions of the officers of the district; the conduct of the business of the district; and the maintenance of records.

(5) To maintain an office at such place or places as it may designate within a parish in which the district is located, which office must be reasonably accessible to the landowners. Meetings shall be held at such office or such other location as may be designated by the board.

(6) To hold, control, and acquire by donation, purchase, or condemnation, or dispose of, any public servitudes or dedications to public use, and to make use of such servitudes or dedications, for any of the purposes authorized by this Chapter.

(7) To lease as lessor or lessee to or from any person, firm, corporation, association, or body, public or private, any projects of the type that the district is authorized to undertake and facilities or property of any nature for the use of the district to carry out any of the purposes authorized by this Chapter.

(8) To borrow money and issue bonds, certificates, warrants, notes, or other evidence of indebtedness as hereinafter provided; to levy such special assessments as may be authorized; and to charge, collect, and enforce fees and other user charges.

(9) To raise, by user charges or fees authorized by resolution of the board, amounts of money which are necessary for the conduct of the district activities and services and to enforce their receipt and collection in the manner prescribed by resolution not inconsistent with law.

(10) To exercise power of expropriation in accordance with the provisions of R.S. 19:1 et seq., subject to the approval of the governing body of the parish which enacted the ordinance establishing the district.

(11) To cooperate with, or contract with, other governmental agencies as may be necessary, convenient, incidental, or proper in connection with any of the powers, duties, or purposes authorized by this Chapter.

(12) To determine, order, levy, impose, collect, and enforce special assessments pursuant to this Chapter.

(13) To exercise all of the powers necessary and proper in connection with any of the powers, duties, or purposes authorized by this Chapter.

Acts 2001, No. 992, §1.

§9039.20. Special powers; public improvements and community facilities

A. The district shall have, and the board may exercise, subject to the regulatory jurisdiction and permitting authority of all applicable governmental bodies and agencies, including soil and water conservation districts, having authority with respect to any area included therein, any or all of the special powers relating to public improvements and community facilities authorized by this Chapter. The district shall have the power to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain systems, facilities, and basic infrastructures for the following:

(1) Water management and control for the lands within the district and to connect some or any of such facilities with roads and bridges.

(2) Water supply, sewer, and wastewater management, reclamation, and reuse or any combination thereof.

(3) Bridges or culverts that may be needed across any drain, ditch, canal, floodway, holding basin, excavation, public highway, tract, grade, fill, or cut and roadways over levees and embankments.

(4) District roads equal to or exceeding the specifications of the parish in which such district roads are located, and street lights.

B. After the board has obtained the consent of the affected local government, the district shall have the power to plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain additional systems and facilities for:

(1) Parks and facilities for indoor and outdoor recreational, cultural, and educational uses.

(2) Fire prevention and control, including fire stations, water mains and plugs, fire trucks, and other vehicles and equipment.

(3) School buildings and related structures, which may be leased, sold, or donated to the school district, for use in the educational system when authorized by the district school board having jurisdiction of the district.

(4) Security, except that the district may not exercise any police power, but may contract with the appropriate local government agencies for an increased level of such services within the district boundaries.

(5) Control and elimination of mosquitoes and other public health nuisances.

(6) Waste collection and disposal.

(7) Revenue producing utilities as defined in R.S. 33:4161 et seq., except electricity and gas services.

Acts 2001, No. 992, §1; Acts 2002, 1st Ex. Sess., No. 42, §1.

§9039.21. Purchase, management or sale of water or wastewater utility by district

No community development district may purchase or sell a water or wastewater utility that provides service to the public, or enter into a management contract for such facilities, until the governing body of the community development district has held a public hearing on the purchase, sale, or management contract and made a determination that the purchase, sale, or management contract is in the public interest.

Acts 2001, No. 992, §1.

§9039.22. Bonds of the district

A. The district is hereby authorized and empowered to issue and sell from time to time bonds, notes, renewal notes, refunding bonds, interim certificates, certificates of indebtedness, certificates of participation, debentures, warrants, commercial paper, or other obligations or evidences of indebtedness to provide funds for and to fulfill and achieve its public purpose or corporate purposes, as set forth in this Chapter, including but not limited to the payment of all or a portion of the costs of a project, to provide amounts necessary for any corporate purposes, including incidental expenses in connection with the issuance of the obligations, the payment of principal and interest on the obligations of the district, the establishment of reserves to secure such obligations, and all other purposes and expenditures of the district incident to and necessary or convenient to carry out its public functions or corporate purposes, and any credit enhancement for said obligations.

B. Except as may otherwise be provided by the district, all obligations issued by the district shall be negotiable instruments and payable solely from the levy of any special assessment by the district or from any other sources whatsoever, that may be available to the district but shall not be secured by the full faith and credit of the state or the parish or municipality which created the district.

C. Obligations shall be authorized, issued, and sold by a resolution or resolutions of the district adopted as provided in this Chapter. Such bonds or obligations may be of such series, bear such date or dates, mature at such time or times, bear interest at such rate or rates, including variable, adjustable, or zero interest rates, be payable at such time or times, be in such denominations, be sold at such price or prices, at public or private negotiated sale, after advertisement as is provided for in R.S. 39:1421 et seq., be in such form, carry such registration and exchangeability privileges, be payable at such place or places, be subject to such terms of redemption, and be entitled to such priorities on the income, revenue, and receipts of, or available to, the district as may be provided by the district in the resolution or resolutions providing for the issuance and sale of the bonds or obligations of the district.

D. The obligations of the district shall be signed by such supervisors or officers of the district by either manual or facsimile signatures, as shall be

determined by resolution or resolutions of the district, and shall have impressed or imprinted thereon the seal of the district, or a facsimile thereof.

E. Any obligations of the district may be validly issued, sold, and delivered, notwithstanding that one or more of the supervisors or officers of the district signing such obligations, or whose facsimile signature or signatures may be on the obligations, shall have ceased to be such supervisor or officer of the district at the time such obligations shall actually have been delivered.

F. Obligations of the district may be sold in such manner and from time to time as may be determined by the district to be most beneficial, subject to approval of the State Bond Commission, and the district may pay all expenses, premiums, fees, or commissions, which it may deem necessary or advantageous in connection with the issuance and sale thereof, subject to the provisions of this Chapter.

G. The district may authorize the establishment of a fund or funds for the creation of a debt service reserve, a renewal and replacement reserve, or such other funds or reserves as the district may approve with respect to the financing and operation of any project and as may be authorized by any bond resolution, trust agreement, indenture of trust or similar instrument or agreement pursuant to the provisions of which the issuance of bonds or other obligations of the district may be authorized.

H. Any cost, obligation, or expense incurred for any of the purposes specified in this Chapter shall be a part of the project costs and may be paid or reimbursed as such out of the proceeds of bonds or other obligations issued by the district.

I. For a period of thirty days from the date of publication of the resolution authorizing the issuance of bonds hereunder, any persons in interest shall have the right to contest the legality of the resolution and the legality of the bond issue for any cause after which time no one shall have any cause or right of action to contest the legality of said resolution or of the bonds authorized thereby for any cause whatsoever. If no suit, action, or proceeding is begun contesting the validity of the bond issue within the thirty days herein prescribed, the authority to issue the bonds and to provide for the payment thereof, and the legality thereof and all of the provisions of the resolution authorizing the issuance of the bonds shall be conclusively presumed, and no court shall have authority to inquire into such matters.

J. Neither the supervisors of the board nor any person executing the bonds shall be personally liable for the bonds or be subject to any personal liability by reason of the issuance thereof. No earnings or assets of the district shall accrue to the benefit of any private persons. However, the limitation of liability provided for in this Subsection shall not apply to any gross negligence or criminal negligence on the part of any director or person executing the bonds.

K. The district may avail itself of the provisions of R.S. 13:5121 et seq.

L. This Chapter constitutes full and complete authority for the issuance of bonds and the exercise of the powers of the district provided herein. No procedures or proceedings, publications, notices, consents, approvals, orders, acts, or things by the board, or any board, officers, commission, department, agency, or instrumentality of the district, other than those required by this Chapter, shall be required to perform anything under this Chapter, except that the issuance or sale of bonds pursuant to the provisions of this Chapter shall comply with the general law requirements applicable to the issuance or sale of bonds by the district. Nothing in this Chapter shall be construed to authorize the district to utilize bond proceeds to fund the ongoing operations of the district.

Acts 2001, No. 992, §1.

§9039.23. Bonds and notes; miscellaneous

A. The district may issue bond anticipation notes in accordance with the provisions of R.S. 39:1460.1 et seq.

B. The district may issue short-term revenue bonds for paying any of the expenses of the district in accordance with the provisions of R.S. 39:1470 et seq.

C. The district may issue refunding bonds in accordance with the provisions of R.S. 39:1444 et seq.

Acts 2001, No. 992, §1.

§9039.24. Statutory pledge

Any pledge made by the district shall be valid and binding from time to time when the pledge is made without the need for physical delivery of any pledged property. The money, assets, or revenues of the district so pledged and thereafter received by the district shall be immediately subject to the lien of such pledge and shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the district, irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be recorded or filed in order to establish and perfect a lien or security interest in the property so pledged by the district.

Acts 2001, No. 992, §1.

§9039.25. Approval of issuance of bonds by State Bond Commission

The approval of the State Bond Commission shall be obtained prior to the issuance of any bonds of the district pursuant to the rules and regulations of the State Bond Commission.

Acts 2001, No. 992, §1.

§9039.26. Exemption from taxes

It is hereby determined that the creation of the district and the carrying out of its public functions and corporate purposes is, in all respects, a public and governmental purpose for the benefit of the people of the state, and for the improvement of their health, safety, welfare, prosperity, and security, and that said functions and purposes are public purposes and that the district will be performing an essential governmental function in the exercise of the powers conferred upon it by this Chapter. All obligations authorized to be issued by the district pursuant to the provisions of this Chapter, together with interest thereof, income therefrom, and gain upon the sale thereof shall be exempt from all state and local taxes.

Acts 2001, No. 992, §1.

§9039.27. Bonds not debts of state governmental units

Bonds issued under the provisions of this Chapter shall be limited obligations of the district payable solely from the sources pledged for the payment thereof. All such bonds shall contain a statement on their face substantially to the effect that neither the faith and credit of the state nor the faith and credit of any governmental unit of the state are pledged to the payment of the principal of or the interest of such bonds. The issuance of bonds under the provisions of this Chapter shall not directly, indirectly, or contingently obligate the state or any governmental unit of the state to levy any taxes whatever therefor or to make any appropriation for their payment arising out of contracts authorized under this Chapter.

Acts 2001, No. 992, §1.

§9039.28. Bonds as legal investment and security for public deposit

The state and all public officers, any parish, municipality, or other subdivision or instrumentality of the state, any political subdivision, any bank, banker, trust company, savings bank and institution, building and loan association, savings and loan association, investment company or any person carrying on a banking or investment business, any insurance company or business, insurance association, and any person carrying on an insurance business, and any executor, administrator, curator, trustee, and other fiduciary, and any retirement system or pension fund may legally invest any sinking funds monies, or other funds belonging to them or within their control in any bonds or other obligations issued by the district pursuant to the provisions of this Chapter, and such bonds or other obligations shall be authorized security for all public deposits. It is the purpose of this Section to authorize such persons, firms, corporations, associations, political subdivisions and officers, or other entities, public or private, to use any funds owned or controlled by them, including but not limited to sinking, insurance, investment, retirement, compensation, pension and trust funds, and funds held on deposit, for the purchase of any such bonds or other obligations of the district, and

that any such bonds shall be authorized security for all public deposits. However, nothing contained in this Section with regard to legal investments or security for public deposits shall be construed as relieving any such person, firm, corporation, or other entity from any duty of exercising reasonable care in selecting securities. Acts 2001, No. 992, §1.

§9039.29. Assessments

A. Benefit special assessments. The board shall annually determine, order, and levy the annual installment of the total benefit special assessments for bonds issued and related expenses to finance district facilities and projects which are levied under this Chapter. These assessments may be due and collected during each year that parish taxes are due and collected, in which case such annual installment and levy shall be evidenced to and certified to the assessor by the board not later than August thirty-first of each year, and such assessment shall be entered by the assessor on the parish tax rolls, and shall be collected and enforced by the tax collector in the same manner and at the same time as parish taxes, and the proceeds thereof shall be paid to the district. These benefit special assessments shall be a lien on the property against which assessed until paid and shall be enforceable in like manner as parish taxes. The amount of the assessment for the exercise of the district's powers under R.S. 33:9039.19 and 9039.20 shall be determined by the board based upon a report of the district's engineer and assessed by the board upon such lands, which may be part or all of the lands within the district benefited by the improvement, apportioned between benefited lands in proportion to the benefits received by each tract of land. The district, in its discretion, may use the method prescribed in R.S. 33:3689.7 for collecting and enforcing benefit special assessments.

B. Maintenance special assessments. To maintain and preserve the facilities and projects of the district, the board shall levy a maintenance special assessment. This assessment may be evidenced to and certified to the assessor by the board of supervisors not later than August thirty-first of each year and shall be entered by the assessor on the parish tax rolls and shall be collected and enforced by the tax collector in the same manner and at the same time as parish taxes, and the proceeds therefrom shall be paid to the district. These maintenance special assessments shall be a lien on the property against which assessed until paid and shall be enforceable in like manner as parish taxes. The amount of the maintenance special assessment for the exercise of the district's powers under R.S. 33:9039.19 and 9039.20 shall be determined by the board based upon a report of the district's engineer and assessed by the board upon such lands, which may be all of the lands within the district benefited by the maintenance thereof, apportioned between the benefited lands in proportion to the benefits received by each tract of land. The district, in its discretion, may use the method prescribed in R.S. 33:3689.7 for collecting and enforcing maintenance assessments.

C. Assessments constitute liens; collection. Benefit special assessments and maintenance special assessments authorized by this Section shall be levied and payable in annual installments for each year for which bonds secured by the assessment are outstanding. The tax collector shall collect and enforce assessments in the same manner and at the same time as ad valorem taxes. Benefit special assessments and maintenance special assessments shall constitute a lien on the property against which assessed until paid and shall be on a parity with the lien of state, parish, municipal, and school board taxes.

D. Compensation for tax assessor and tax collector. The tax assessor and tax collector are entitled to reasonable compensation for preparing the rolls and collecting the assessments.

E. District assessments. District assessments may be made payable in no more than thirty yearly installments.

Acts 2001, No. 992, §1.

§9039.30. Enforcement of liens

Any lien in favor of the district arising under this Chapter may be enforced by the district in a court of competent jurisdiction as provided by law. Such proceedings may be brought at any time after the expiration of one year from the date any tax, or installment thereof, becomes delinquent.

Acts 2001, No. 992, §1.

§9039.31. Bids required

The district shall comply with the provisions of R.S. 38:2211 et seq. regarding the construction of public works or the purchase of materials or supplies.

Acts 2001, No. 992, §1.

§9039.32. Fees, rentals, and charges; procedure for adoption and modifications; minimum revenue requirements

A. The district is authorized to prescribe, fix, establish, and collect rates, fees, rentals, or other charges for the facilities and services furnished by the district, within the limits of the district, including but not limited to recreational facilities, water management and control facilities, and water and sewer systems; to recover the costs of making connection with any district facility or system; and to provide for reasonable penalties against any user or property for any such rates, fees, rentals, or other charges that are delinquent.

B. No such rates, fees, rentals, or other charges for any of the facilities or services of the district shall be fixed until after a public hearing at which all the users of the proposed facility or services shall have an opportunity to be heard

concerning the proposed rates, fees, rentals, or other charges. Notice of such public hearing setting forth the proposed schedule of rates, fees, rentals, and other charges shall be published in the official journal of the district once at least ten days prior to such public hearing.

Acts 2001, No. 992, §1.

§9039.33. Nonpayment; delinquency; discontinuance of service

The district shall provide by ordinance with respect to nonpayment, delinquency charges and discontinuance of service for water and sewer services provided by the district.

Acts 2001, No. 992, §1.

§9039.34. Contraction or expansion of district; termination; dissolution

A. The boundaries of the district may be contracted or expanded in the same manner in which the district was created pursuant to R.S. 33:9039.14.

B. The district may be terminated or dissolved in one of the following ways:

(1) The district may be terminated or dissolved upon the transfer of all the community development services of the district to a unit of local government. The district shall be terminated in accordance with a plan of termination which shall be adopted by the board of supervisors and filed with the clerk of court.

(2) If, within five years after the effective date of the ordinance creating the district a landowner has not received a development permit on some part or all of the area covered by the district, then the district will be automatically dissolved and a court of competent jurisdiction shall cause a statement to that effect to be filed in the public records.

(3) In the event the district has become inactive, the parish or municipality which created the district shall be informed and it shall take appropriate action.

Acts 2001, No. 992, §1.

§9039.35. Sale of real estate within a district; required disclosure to purchaser

Subsequent to the establishment of a district under this Chapter, each contract for the initial sale of a parcel of immovable property and each contract for the initial sale of a residential unit within the district shall include, immediately prior to the space reserved in the contract for the signature of the purchaser, the following disclosure statement in boldfaced and conspicuous type which is larger than the type in the remaining text of the contract: "THE (Name of District) COMMUNITY DEVELOPMENT DISTRICT MAY IMPOSE AND LEVY ASSESSMENTS ON THIS PROPERTY. THESE ASSESSMENTS PAY THE CONSTRUCTION, OPERATION, AND MAINTENANCE COSTS OF

CERTAIN PUBLIC FACILITIES AND SERVICES OF THE DISTRICT AND ARE SET ANNUALLY BY THE GOVERNING BOARD OF THE DISTRICT. THESE ASSESSMENTS ARE IN ADDITION TO PARISH AND OTHER LOCAL GOVERNMENTAL TAXES AND ASSESSMENTS AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR BY LAW."

Acts 2001, No. 992, §1.

§9039.36. Notice of establishment

Within thirty days after the effective date of the ordinance establishing a community development district under this Chapter, the district shall cause to be recorded in the mortgage records in the parish in which it is located a "Notice of Establishment of the _____ Community Development District". The notice shall include the legal description of the district and a copy of the disclosure statement specified in R.S. 33:9039.18.

Acts 2001, No. 992, §1.

§9039.37. Construction of Chapter

This Chapter, being necessary for the welfare of the state and its residents, shall be liberally construed to effect the purposes of the Chapter.

Acts 2001, No. 992, §1.