**By** the Committees on Judiciary; and Community Affairs; and Senator Baker

590-05735-09 20091602c2 1 A bill to be entitled 2 An act relating to community development districts; 3 amending s. 190.003, F.S.; defining the term "compact, 4 urban, mixed-use district"; amending s. 190.006, F.S.; 5 providing for application of certain board of 6 supervisors election time periods to compact, urban, 7 mixed-use districts; providing for retroactive 8 application; amending ss. 190.005, 190.011, 190.016, 9 190.021, and 348.968, F.S.; conforming cross-10 references; amending s. 190.012, F.S.; revising deed 11 restriction enforcement rulemaking authority of boards 12 of directors of community development districts; 13 authorizing certain property owners to elect a 14 district board advisor; providing advisor 15 responsibilities; providing requirements for district 16 board advisor review and recommendations relating to 17 enforcement of the district rules outside the boundaries of the district; requiring creation of a 18 district board advisor seat after an interlocal 19 agreement is entered into; providing for election of 20 21 the advisor and the term of office; providing election 22 procedures and requirements; amending s. 190.046, 23 F.S.; revising procedures and requirements to amend 24 the boundaries of a community development district; 25 revising procedures and requirements to merge 26 community development districts; providing 27 limitations; providing for petition filing fees; 28 preserving rights of creditors, liens upon property, 29 and claims and pending actions or proceedings;

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30	providing an effective date.
31	
32	Be It Enacted by the Legislature of the State of Florida:
33	
34	Section 1. Subsections (7) through (21) of section 190.003,
35	Florida Statutes, are renumbered as subsections (8) through
36	(22), respectively, and a new subsection (7) is added to that
37	section to read:
38	190.003 Definitions.—As used in this chapter, the term:
39	(7) "Compact, urban, mixed-use district" means a district
40	located within a municipality and within a community
41	redevelopment area created pursuant to s. 163.356, that consists
42	of a maximum of 75 acres, and has development entitlements of at
43	least 400,000 square feet of retail development and 500
44	residential units.
45	Section 2. Paragraph (a) of subsection (3) of section
46	190.006, Florida Statutes, is amended to read:
47	190.006 Board of supervisors; members and meetings
48	(3)(a)1. If the board proposes to exercise the ad valorem
49	taxing power authorized by s. 190.021, the district board shall
50	call an election at which the members of the board of
51	supervisors will be elected. Such election shall be held in
52	conjunction with a primary or general election unless the
53	district bears the cost of a special election. Each member shall
54	be elected by the qualified electors of the district for a term
55	of 4 years, except that, at the first such election, three
56	members shall be elected for a period of 4 years and two members
57	shall be elected for a period of 2 years. All elected board
58	members must be qualified electors of the district.

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590-05735-09 20091602c2 59 2.a. Regardless of whether a district has proposed to levy 60 ad valorem taxes, commencing 6 years after the initial appointment of members or, for a district exceeding 5,000 acres 61 62 in area or for a compact, urban, mixed-use district, 10 years 63 after the initial appointment of members, the position of each 64 member whose term has expired shall be filled by a qualified 65 elector of the district, elected by the qualified electors of the district. However, for those districts established after 66 June 21, 1991, and for those existing districts established 67 68 after December 31, 1983, which have less than 50 qualified electors on June 21, 1991, sub-subparagraphs b. and d. shall 69 70 apply. If, in the 6th year after the initial appointment of 71 members, or 10 years after such initial appointment for 72 districts exceeding 5,000 acres in area or for a compact, urban, 73 mixed-use district, there are not at least 250 qualified 74 electors in the district, or for a district exceeding 5,000 75 acres or for a compact, urban, mixed-use district, there are not 76 at least 500 qualified electors, members of the board shall 77 continue to be elected by landowners.

78 b. After the 6th or 10th year, once a district reaches 250 79 or 500 qualified electors, respectively, then the positions of two board members whose terms are expiring shall be filled by 80 qualified electors of the district, elected by the qualified 81 82 electors of the district for 4-year terms. The remaining board 83 member whose term is expiring shall be elected for a 4-year term 84 by the landowners and is not required to be a qualified elector. 85 Thereafter, as terms expire, board members shall be qualified 86 electors elected by qualified electors of the district for a 87 term of 4 years.

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88	c. Once a district qualifies to have any of its board
89	members elected by the qualified electors of the district, the
90	initial and all subsequent elections by the qualified electors
91	of the district shall be held at the general election in
92	November. The board shall adopt a resolution if necessary to
93	implement this requirement when the board determines the number
94	of qualified electors as required by sub-subparagraph d., to
95	extend or reduce the terms of current board members.
96	d. On or before June 1 of each year, the board shall
97	determine the number of qualified electors in the district as of
98	the immediately preceding April 15. The board shall use and rely
99	upon the official records maintained by the supervisor of
100	elections and property appraiser or tax collector in each county
101	in making this determination. Such determination shall be made
102	at a properly noticed meeting of the board and shall become a
103	part of the official minutes of the district.
104	Section 3. The amendment to s. 190.006, Florida Statutes,
105	made by this act shall apply retroactively to districts
106	established prior to July 1, 2009.
107	Section 4. Paragraph (a) of subsection (1) of section
108	190.005, Florida Statutes, is amended to read:
109	190.005 Establishment of district
110	(1) The exclusive and uniform method for the establishment
111	of a community development district with a size of 1,000 acres
112	or more shall be pursuant to a rule, adopted under chapter 120
113	by the Florida Land and Water Adjudicatory Commission, granting
114	a petition for the establishment of a community development
115	district.
116	(a) A petition for the establishment of a community

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590-05735-09 20091602c2 117 development district shall be filed by the petitioner with the 118 Florida Land and Water Adjudicatory Commission. The petition 119 shall contain:

1. A metes and bounds description of the external 120 121 boundaries of the district. Any real property within the external boundaries of the district which is to be excluded from 122 123 the district shall be specifically described, and the last known 124 address of all owners of such real property shall be listed. The 125 petition shall also address the impact of the proposed district 126 on any real property within the external boundaries of the 127 district which is to be excluded from the district.

2. The written consent to the establishment of the district 128 129 by all landowners whose real property is to be included in the 130 district or documentation demonstrating that the petitioner has 131 control by deed, trust agreement, contract, or option of 100 132 percent of the real property to be included in the district, and 133 when real property to be included in the district is owned by a 134 governmental entity and subject to a ground lease as described 135 in s. 190.003(14)(13), the written consent by such governmental 136 entity.

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 s. 190.006.

140

4. The proposed name of the district.

141 5. A map of the proposed district showing current major
142 trunk water mains and sewer interceptors and outfalls if in
143 existence.

144 6. Based upon available data, the proposed timetable for145 construction of the district services and the estimated cost of

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146	constructing the proposed services. These estimates shall be
147	submitted in good faith but shall not be binding and may be
148	subject to change.
149	7. A designation of the future general distribution,
150	location, and extent of public and private uses of land proposed
151	for the area within the district by the future land use plan
152	element of the effective local government comprehensive plan of
153	which all mandatory elements have been adopted by the applicable
154	general-purpose local government in compliance with the Local
155	Government Comprehensive Planning and Land Development
156	Regulation Act.
157	8. A statement of estimated regulatory costs in accordance
158	with the requirements of s. 120.541.
159	Section 5. Paragraph (b) of subsection (7) of section
160	190.011, Florida Statutes, is amended to read:
161	190.011 General powers.—The district shall have, and the
162	board may exercise, the following powers:
163	(7)
164	(b) When real property in the district is owned by a
165	governmental entity and subject to a ground lease as described
166	in s. 190.003 <u>(14)<del>(13)</del>, to collect ground rent from landowners</u>
167	pursuant to a contract with such governmental entity and to
168	contract with the county tax collector for collection of such
169	ground rent using the procedures authorized in s. 197.3631,
170	other than the procedures contained in s. 197.3632.
171	Section 6. Subsection (2) of section 190.016, Florida
172	Statutes, is amended to read:
173	190.016 Bonds
174	(2) AUTHORIZATION AND FORM OF BONDSAny general obligation

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590-05735-09 20091602c2 175 bonds, benefit bonds, or revenue bonds may be authorized by 176 resolution or resolutions of the board which shall be adopted by 177 a majority of all the members thereof then in office. Such 178 resolution or resolutions may be adopted at the same meeting at 179 which they are introduced and need not be published or posted. 180 The board may, by resolution, authorize the issuance of bonds 181 and fix the aggregate amount of bonds to be issued; the purpose 182 or purposes for which the moneys derived therefrom shall be expended, including, but not limited to, payment of costs as 183 184 defined in s. 190.003(8)(7); the rate or rates of interest, in 185 compliance with s. 215.84; the denomination of the bonds; 186 whether or not the bonds are to be issued in one or more series; 187 the date or dates of maturity, which shall not exceed 40 years 188 from their respective dates of issuance; the medium of payment; 189 the place or places within or without the state where payment 190 shall be made; registration privileges; redemption terms and 191 privileges, whether with or without premium; the manner of 192 execution; the form of the bonds, including any interest coupons to be attached thereto; the manner of execution of bonds and 193 194 coupons; and any and all other terms, covenants, and conditions thereof and the establishment of revenue or other funds. Such 195 196 authorizing resolution or resolutions may further provide for 197 the contracts authorized by s. 159.825(1)(f) and (g) regardless of the tax treatment of such bonds being authorized, subject to 198 199 the finding by the board of a net saving to the district 200 resulting by reason thereof. Such authorizing resolution may 201 further provide that such bonds may be executed in accordance 202 with the Registered Public Obligations Act, except that bonds 203 not issued in registered form shall be valid if manually

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590-05735-09 20091602c2 204 countersigned by an officer designated by appropriate resolution 205 of the board. The seal of the district may be affixed, 206 lithographed, engraved, or otherwise reproduced in facsimile on 207 such bonds. In case any officer whose signature shall appear on 208 any bonds or coupons shall cease to be such officer before the 209 delivery of such bonds, such signature or facsimile shall 210 nevertheless be valid and sufficient for all purposes the same 211 as if he or she had remained in office until such delivery. Section 7. Subsection (10) of section 190.021, Florida 212 213 Statutes, is amended to read: 214 190.021 Taxes; non-ad valorem assessments.-215 (10) LAND OWNED BY GOVERNMENTAL ENTITY.-Except as otherwise 216 provided by law, no levy of ad valorem taxes or non-ad valorem 217 assessments under this chapter, or chapter 170, chapter 197, or 218 otherwise, by a board of a district on property of a 219 governmental entity that is subject to a ground lease as 220 described in s.  $190.003(14) \cdot (13)$ , shall constitute a lien or 221 encumbrance on the underlying fee interest of such governmental 222 entity. 223 Section 8. Paragraph (g) of subsection (2) of section 224 348.968, Florida Statutes, is amended to read: 225 348.968 Purposes and powers.-226 (2) The authority is granted, and shall have and may 227 exercise, all powers necessary, appurtenant, convenient, or 228 incidental to the carrying out of said purposes, including, but 229 not limited to, the following rights and powers: 230 (g) To borrow money and make and issue bonds, which bonds 231 may be issued pursuant to the State Bond Act or, in the

alternative, pursuant to the provisions of s. 348.969(2), in

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590-05735-09 20091602c2 233 either case, for any purpose of the authority authorized, 234 including the financing of all or part of the cost, as specified 235 in s.  $190.003(8) \left(\frac{7}{7}\right)$ , of all or any part of the system and the 236 refunding of any and all previous issues of bonds of the 237 authority at or prior to maturity. Section 9. Subsection (4) of section 190.012, Florida 238 239 Statutes, is amended to read: 240 190.012 Special powers; public improvements and community facilities.-The district shall have, and the board may exercise, 241 subject to the regulatory jurisdiction and permitting authority 242 of all applicable governmental bodies, agencies, and special 243 244 districts having authority with respect to any area included therein, any or all of the following special powers relating to 245 246 public improvements and community facilities authorized by this 247 act: (4) (a) To adopt rules necessary for the district to enforce 248 249 certain deed restrictions pertaining to the use and operation of 250 real property within the district and outside the district if 251 pursuant to an interlocal agreement under chapter 163 if within 252 another district or, if not within another district, with the 253 consent of the county or municipality in which the deed 254 restriction enforcement is proposed to occur. For the purpose of this subsection, the term "deed restrictions" means are those 255 256 covenants, conditions, and restrictions, compliance mechanisms, 257 and enforcement remedies contained in any applicable 258 declarations of covenants and restrictions that govern the use 259 and operation of real property within the district and, for

260 which covenants, conditions, and restrictions, there is no 261 homeowners' association or property owner's association having

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590-05735-09 20091602c2 262 respective enforcement powers unless, with respect to a 263 homeowners' association whose board is under member control, the 264 association and the district agree in writing to enforcement by 265 the district. The district may adopt by rule all or certain 266 portions of the deed restrictions that: 267 1. Relate to limitations, or prohibitions, compliance 268 mechanisms, or enforcement remedies that apply only to external 269 appearances or uses structures and are deemed by the district to 270 be generally beneficial for the district's landowners and for 271 which enforcement by the district is appropriate, as determined 272 by the district's board of supervisors; or 273 2. Are consistent with the requirements of a development 274 order or regulatory agency permit. 275 (b) The board may vote to adopt such rules only when all of 276 the following conditions exist: 277 1. The district's geographic area contains no homeowners' 278 associations as defined in s. 720.301(9); 279 1.2. The district was in existence on the effective date of 280 this subsection, or is located within a development that 281 consists of multiple developments of regional impact and a 282 Florida Quality Development.+ 2.3. For residential districts, the majority of the board 283 284 has been elected by qualified electors pursuant to the 285 provisions of s. 190.006.; and 3. For residential districts, less than 25 percent of 286 287 residential units are in a homeowners' association. 288 4. The declarant in any applicable declarations of 289 covenants and restrictions has provided the board with a written 290 agreement that such rules may be adopted. A memorandum of the

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291	agreement shall be recorded in the public records.
292	(c) Within 60 days after such rules take effect, the
293	district shall record a notice of rule adoption stating
294	generally what rules were adopted and where a copy of the rules
295	may be obtained. Districts may impose fines for violations of
296	such rules and enforce such rules and fines in circuit court
297	through injunctive relief.
298	(d) The owners of property located outside the boundary of
299	the district shall elect an advisor to the district board
300	pursuant to paragraph (e). The sole responsibilities of the
301	district board advisor are to review enforcement actions
302	proposed by the district board against properties located
303	outside the district and make recommendations relating to those
304	proposed actions. Before the district board may enforce its
305	rules against any owner of property located outside the
306	district, the district board shall request the district board
307	advisor to make a recommendation on the proposed enforcement
308	action. The district board advisor must render a recommendation
309	within 30 days after receiving a request from the district board
310	or is deemed to have no objection to the district board's
311	proposed decision or action.
312	(e)1. Whenever an interlocal agreement is entered into
313	pursuant to paragraph (a), a district board advisor seat shall
314	be created for one elected landowner whose property is within
315	the jurisdiction of the governmental entity entering into the
316	interlocal agreement but not within the boundaries of the
317	district. The district board advisor shall be elected by
318	landowners whose land is subject to enforcement by the district
319	but whose land is not within the boundaries of the district. The

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320	district board advisor shall be elected for a 2-year term. The
321	first election for a district board advisor shall be within 90
322	days after the effective date of the interlocal agreement
323	between the district and the government entity.
324	2. The election of the district board advisor shall occur
325	at a meeting of eligible landowners. The district shall publish
326	notice of the meeting and election once a week for 2 consecutive
327	weeks in a newspaper of general circulation in the area of the
328	parties to the interlocal agreement. The notice must include
329	instructions on how all landowners may participate in the
330	election and how to obtain a proxy form. The last day of
331	publication may not be less than 14 days or more than 28 days
332	before the date of the election. The landowners, when assembled
333	at the meeting, shall organize by electing a chair who shall
334	conduct the meeting. The chair may be any person present at the
335	meeting. If the chair is a landowner or proxy holder of a
336	landowner, he or she may nominate candidates and make and second
337	motions.
338	3. At the meeting, each landowner is entitled to cast one
339	vote per acre of land owned by him or her and located within the
340	district for each person to be elected. A landowner may vote in
341	person or by proxy in writing. Each proxy must be signed by one
342	of the legal owners of the property for which the vote is cast
343	and must contain the typed or printed name of the individual who
344	signed the proxy; the street address, legal description of the
345	property, or tax parcel identification number; and the number of
346	authorized votes. If the proxy authorizes more than one vote,
347	each property must be listed and the number of acres of each
348	property must be included. The signature on a proxy need not be

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349	notarized. A fraction of an acre shall be treated as 1 acre,
350	entitling the landowner to one vote with respect thereto. For
351	purposes of determining voting interests, platted lots shall be
352	counted individually and rounded up to the nearest whole acre.
353	The acreage of platted lots may not be aggregated for purposes
354	of determining the number of voting units held by a landowner or
355	a landowner's proxy.
356	4. If a vacancy occurs in the district advisor seat, a
357	special landowner election shall be held within 60 days after
358	the vacancy using the notice, proxy, and acreage voting
359	provisions of this subsection.
360	Section 10. Subsections (1) and (3) of section 190.046,
361	Florida Statutes, are amended to read:
362	190.046 Termination, contraction, or expansion of
363	district
364	(1) <u>A landowner or</u> the board may petition to contract or
365	expand the boundaries of a community development district in the
366	following manner:
367	(a) The petition shall contain the same information
368	required by s. 190.005(1)(a)1. and 8. In addition, if the
369	petitioner seeks to expand the district, the petition shall
370	describe the proposed timetable for construction of any district
371	services to the area, the estimated cost of constructing the
372	proposed services, and the designation of the future general
373	distribution, location, and extent of public and private uses of
374	land proposed for the area by the future land use plan element
375	of the adopted local government local comprehensive plan. If the
376	petitioner seeks to contract the district, the petition shall
377	describe what services and facilities are currently provided by

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590-05735-09 20091602c2 378 the district to the area being removed, and the designation of 379 the future general distribution, location, and extent of public 380 and private uses of land proposed for the area by the future 381 land element of the adopted local government comprehensive plan. 382 (b) For those districts initially established by county

383 ordinance, the petition for ordinance amendment shall be filed 384 with the county commission. If the land to be included or 385 excluded is, in whole or in part, within the boundaries of a 386 municipality, then the county commission shall not amend the 387 ordinance without municipal approval. A public hearing shall be 388 held in the same manner and with the same public notice as other 389 ordinance amendments. The county commission shall consider the 390 record of the public hearing and the factors set forth in s. 391 190.005(1)(e) in making its determination to grant or deny the 392 petition for ordinance amendment.

(c) For those districts initially established by municipal ordinance pursuant to s. 190.005(2)(e), the municipality shall assume the duties of the county commission set forth in paragraph (b); however, if any of the land to be included or excluded, in whole or in part, is outside the boundaries of the municipality, then the municipality shall not amend its ordinance without county commission approval.

(d)1. For those districts initially established by administrative rule pursuant to s. 190.005(1), the petition shall be filed with the Florida Land and Water Adjudicatory Commission.

2. Prior to filing the petition, the petitioner shall pay a
filing fee of \$1,500, to the county <u>if the district or the land</u>
to be added or deleted from the district is located within an

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590-05735-09 20091602c2 407 unincorporated area or to the municipality if the district or 408 the land to be added or deleted is located within an 409 incorporated area, and to each municipality the boundaries of 410 which are contiguous with or contain all or a portion of the 411 land within or to be added to or deleted from the external 412 boundaries of the district or the proposed amendment, and submit 413 a copy of the petition to the county and to each such 414 municipality. The petitioner shall submit a copy of the petition 415 to the same entities entitled to receive the filing fee. In 416 addition, if the district is not the petitioner, the petitioner 417 shall file the petition with the district board of supervisors.

3. Each The county and each municipality shall have the option of holding a public hearing as provided by s. 190.005(1)(c). However, the such public hearing shall be limited to consideration of the contents of the petition and whether the petition for amendment should be supported by the county or municipality.

424 4. The district board of supervisors shall, in lieu of a 425 hearing officer, hold the local public hearing provided for by 426 s. 190.005(1)(d). This local public hearing shall be noticed in 427 the same manner as provided in s. 190.005(1)(d). Within 45 days 428 of the conclusion of the hearing, the district board of 429 supervisors shall transmit to the Florida Land and Water 430 Adjudicatory Commission the full record of the local hearing, 431 the transcript of the hearing, any resolutions adopted by the 432 local general-purpose governments, and its recommendation 433 whether to grant the petition for amendment. The commission shall then proceed in accordance with s. 190.005(1)(e). 434 435 5. A rule amending a district boundary shall describe the

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436	land to be added or deleted.
437	(e) In all cases, written consent of all the landowners
438	whose land is to be added to or deleted from the district shall
439	be required. The filing of the petition for expansion or
440	contraction by the district board of supervisors shall
441	constitute consent of the landowners within the district other
442	than of landowners whose land is proposed to be added to or
443	removed from the district.
444	<u>(e)</u> 1. During the existence of a district initially
445	established by administrative rule, <u>the process</u> <del>petitions</del> to
446	amend the boundaries of the district pursuant to paragraphs $(a)$ -
447	<u>(d)</u> <del>(a)-(e)</del> shall <u>not permit</u> <del>be limited to</del> a cumulative <u>net</u>
448	total <u>greater</u> <del>of no more</del> than 10 percent of the land in the
449	initial district, and in no event <u>greater</u> <del>shall all such</del>
450	petitions to amend the boundaries ever encompass more than a
451	<del>total of</del> 250 acres <u>on a cumulative net basis</u> .
452	2. During the existence of a district For districts
453	initially established by county or municipal ordinance, the
454	process to amend the boundaries of the district pursuant to
455	paragraphs (a)-(d) <del>limitation provided by this paragraph</del> shall
456	<u>not permit</u> <del>be</del> a cumulative <u>net</u> total <u>greater</u> <del>of no more</del> than 50
457	percent of the land in the initial district, and in no event
458	greater shall all such petitions to amend the boundaries ever
459	<del>encompass more</del> than <del>a total of</del> 500 acres <u>on a cumulative net</u>
460	basis.
461	3. Boundary expansions for districts initially established
462	by county or municipal ordinance shall follow the procedure set

463 forth in paragraph (b) or paragraph (c).

464

(f) (g) Petitions to amend the boundaries of the district

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465	that which exceed the amount of land specified in paragraph (e)
466	<del>(f)</del> shall be processed in accordance with s. 190.005, and the
467	petition shall include only the elements set forth in s.
468	190.005(1)(a)1. and 58. and the consent required by paragraph
469	(g) considered petitions to establish a new district and shall
470	follow all of the procedures specified in s. 190.005. However,
471	the resulting administrative rule or ordinance may only amend
472	the boundaries of the district and may not establish a new
473	district or cause a new 6-year or 10-year period to begin
474	pursuant to s. 190.006(3)(a)2. The filing fee for such petitions
475	shall be as set forth in s. 190.005(1)(b) and (2), as
476	applicable.
477	(g) In all cases of a petition to amend the boundaries of a
478	district, the filing of the petition by the district board of
479	supervisors constitutes consent of the landowners within the
480	district. In all cases, written consent of those landowners
481	whose land is to be added to or deleted from the district as
482	provided in s. 190.005(1)(a)2. is required.
483	(3) The district may merge with other community development
484	districts upon filing a petition for merger, which petition
485	shall include the elements set forth in s. 190.005(1) and which
486	shall be evaluated using the criteria set forth in s.
487	190.005(1)(e). The filing fee shall be as set forth in s.
488	190.005(1)(b). In addition, the petition shall state whether a
489	new district is to be established or whether one district shall
490	be the surviving district. The district establishment of a
491	community development district pursuant to s. 190.005 or may
492	merge with any other special districts upon filing a petition
493	for establishment of a community development district pursuant

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494	to s. 190.005. The government formed by a merger involving a
495	community development district pursuant to this section shall
496	assume all indebtedness of, and receive title to, all property
497	owned by the preexisting special districts, and the rights of
498	creditors and liens upon property shall not be impaired by such
499	merger. Any claim existing or action or proceeding pending by or
500	against any district that is a party to the merger may be
501	continued as if the merger had not occurred, or the surviving
502	district may be substituted in the proceeding for the district
503	that ceased to exist. Prior to filing the said petition, the
504	districts desiring to merge shall enter into a merger agreement
505	and shall provide for the proper allocation of the indebtedness
506	so assumed and the manner in which <u>such</u> said debt shall be
507	retired. The approval of the merger agreement and the petition
508	by the board of supervisors <del>elected by the electors of</del> the
509	district shall constitute consent of the landowners within the
510	district.

511

Section 11. This act shall take effect July 1, 2009.

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