

# SENATE BILL No. 261

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 36-7-22.1.

**Synopsis:** Economic development districts. Creates a procedure to establish a community infrastructure improvement district (district). Specifies that the procedure added by the bill allowing for the establishment of a district does not authorize the unit to establish a district that overlaps with an economic improvement district. Requires a petition for the establishment of a district to include a rate and methodology report. Specifies the contents of the report. Specifies the basis upon which benefits accruing to parcels of real property within a district may be apportioned among those parcels. Requires a determination that the aggregate assessments within a district: (1) do not exceed 30% of the projected assessed value of property within the district; or (2) in the case of a district that is established for single family residences, do not exceed 10% of the projected assessed value per single family residence within the district; before a legislative body may adopt an ordinance to establish a district. Requires a community infrastructure improvement board (board) to assist the county treasurer in order to make certain specified determinations and designations regarding annual assessments within a district. Adds specific provisions that apply to the board's issuance of revenue bonds. Sunsets these provisions after five years.

**Effective:** July 1, 2023.

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## Buchanan, Baldwin

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January 11, 2023, read first time and referred to Committee on Tax and Fiscal Policy.

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First Regular Session of the 123rd General Assembly (2023)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2022 Regular Session of the General Assembly.

## SENATE BILL No. 261

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A BILL FOR AN ACT to amend the Indiana Code concerning local government.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 36-7-22.1 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2023]:  
4 **Chapter 22.1. Community Infrastructure Improvement**  
5 **Districts**  
6 **Sec. 1. (a) This chapter applies to all units except townships.**  
7 **(b) This chapter does not authorize a unit to establish a**  
8 **community infrastructure improvement district that overlaps with**  
9 **an economic improvement district established under IC 36-7-22.**  
10 **Sec. 2. As used in this chapter, "assessment" means a charge**  
11 **determined under section 14(a) of this chapter by applying the**  
12 **percentage of benefit apportioned to a parcel within a community**  
13 **infrastructure improvement district to the cost associated with**  
14 **economic development projects giving rise to such benefits. Costs**  
15 **subject to assessment for these purposes include all costs of the**  
16 **economic improvement projects as well as financing and**  
17 **administrative costs. In the case of bonds or notes issued pursuant**



1 to section 26 of this chapter, financing costs shall include, without  
2 limitation, principal and interest, related reserve funds, cost of  
3 insurance, and costs associated with ancillary financial  
4 arrangements with respect to the bonds or notes.

5 Sec. 3. As used in this chapter, "board" refers to a community  
6 infrastructure improvement board established under section 13 of  
7 this chapter.

8 Sec. 4. As used in this chapter, "economic improvement project"  
9 means the following:

10 (1) Planning or managing development or improvement  
11 activities.

12 (2) Designing, landscaping, beautifying, constructing, or  
13 maintaining public areas, public improvements, or public  
14 ways (including designing, constructing, or maintaining  
15 lighting, infrastructure, utility facilities, improvements, and  
16 equipment, water facilities, improvements, and equipment,  
17 sewage facilities, improvements, and equipment, streets, or  
18 sidewalks for a public area or public way).

19 (3) Promoting commercial activity or public events.

20 (4) Supporting business recruitment and development.

21 (5) Providing security for public areas.

22 (6) Acquiring, constructing, or maintaining parking facilities.

23 (7) Constructing, rehabilitating, or repairing residential  
24 property, including improvements related to the habitability  
25 of the residential property.

26 (8) Acquiring, constructing, rehabilitating, or repairing  
27 redevelopment projects, economic development facilities  
28 described in IC 36-7-11.9-3, pollution control facilities  
29 described in IC 36-7-11.9-9, or other local improvements.

30 (9) Constructing, rehabilitating, or repairing industrial or  
31 commercial property associated with a qualified  
32 redevelopment site (as defined in IC 6-3.1-34-6).

33 Sec. 5. As used in this chapter, "projected assessed value"  
34 means:

35 (1) with respect to the community infrastructure  
36 improvement district, an assessed value of the property within  
37 the community infrastructure improvement district, plus the  
38 as-built projected assessed value of the economic development  
39 project to be constructed in the community infrastructure  
40 improvement district as determined pursuant to a third party  
41 evaluation accepted by the legislative body; and

42 (2) with respect to an individual parcel, the as-built (or



1 as-improved, as appropriate) projected assessed value of the  
 2 parcel as determined pursuant to a third party evaluation  
 3 accepted by the legislative body;  
 4 including in both cases the assessed value of a property subject to  
 5 a voluntary assessment agreement as set forth in section 10(e) of  
 6 this chapter.

7 Sec. 6. As used in this chapter, "rate and method apportionment  
 8 report" means a report relating to a developer's planned economic  
 9 development of the subject parcels, which must set forth at least  
 10 the following:

11 (1) A list of parcels consistent with the parcels identified in the  
 12 petition for the establishment of the community infrastructure  
 13 improvement district under section 7 of this chapter.

14 (2) A statement of:

15 (A) the proposed assessment formula under section 7(b)(5)  
 16 of this chapter;

17 (B) the apportionment of benefits under section 8(a) of this  
 18 chapter; and

19 (C) zones or other classifications, if any, relating to the  
 20 formula under clause (A) or the apportionment under  
 21 clause (B).

22 (3) The proposed total assessment per parcel, including:

23 (A) the lump sum payment amount if the assessment is  
 24 payable as a lump sum;

25 (B) the method for converting a lump sum assessment to  
 26 annual installments, if applicable; and

27 (C) a schedule of annual installments and an  
 28 accompanying amortization schedule of the assessment, if  
 29 any.

30 (4) A statement of the basis and methodology for reassessment  
 31 in the case of a parcel division or consolidation of the assessed  
 32 property, status of development or the completion of  
 33 improvements associated with the assessed property or  
 34 changes in zoning classification of the property, and any  
 35 resulting assessment changes.

36 (5) The proposed maximum number of years during which the  
 37 assessment may be paid in annual installments.

38 (6) The proposed method for establishing the assessment for  
 39 the initial year and each year thereafter.

40 Sec. 7. (a) A person that intends to file a petition for the  
 41 establishment of a community infrastructure improvement district  
 42 under this section must first provide written notice to the clerk (as



1 defined in IC 36-1-2) in the case of a municipality, or the county  
 2 auditor, in the case of a county, of the person's intent before  
 3 initiating the petition process.

4 (b) A petition for the establishment of a community  
 5 infrastructure improvement district may be filed with the clerk of  
 6 the municipality or the county auditor not later than one hundred  
 7 twenty (120) days after the date on which the notice of intent for  
 8 the petition is filed with the clerk of the municipality or the county  
 9 auditor under subsection (a). The petition must include the  
 10 following information:

11 (1) The boundaries of the proposed district, including the  
 12 boundaries of any zones to be established under section 8(b)  
 13 of this chapter.

14 (2) The name and address of each parcel and owner of land  
 15 within the proposed district and a description of the existing  
 16 land use and zoning classification of each parcel.

17 (3) A detailed description of the economic improvement  
 18 projects to be carried out within the proposed district, the  
 19 estimated cost of these projects, and the benefits to accrue to  
 20 the property owners within the district.

21 (4) A plan for the application of assessment revenue to the  
 22 cost of the economic improvement projects within the district.

23 (5) A proposed formula for determining the percentage of the  
 24 total benefit to be received by each parcel of real property  
 25 within the district, in the manner provided by section 8 of this  
 26 chapter.

27 (6) The number of years in which assessments will be levied.

28 (7) A proposed list of members for the board.

29 (c) The petition shall be accompanied by a rate and method  
 30 apportionment report.

31 (d) The clerk of the municipality or the county auditor shall  
 32 retain the paper copy of a petition filed under this section for not  
 33 less than ninety (90) days from the date the petition is filed with the  
 34 clerk of the municipality or the county auditor.

35 Sec. 8. (a) The benefits accruing to parcels of real property  
 36 within a community infrastructure improvement district may be  
 37 apportioned among those parcels on any basis reasonably  
 38 representative of the diffusion of benefits from the economic  
 39 improvement project, including the following:

40 (1) Proximity of the parcel to the project.

41 (2) Accessibility of the parcel to the project.

42 (3) True cash value of the parcel.



- 1 (4) True cash value of any improvement on the parcel.
- 2 (5) Age of any improvement on the parcel.
- 3 (6) Land use class of the parcel.
- 4 (7) Equivalent units, including, in the case of an apartment
- 5 building, the number of units in the building.
- 6 (8) Parcel square footage.
- 7 (9) Parcel front footage.
- 8 (10) Gross floor area.
- 9 (11) Benefit availability.
- 10 (12) Impervious surface area.
- 11 (13) Other similar factors.

12 The apportionment of benefits under this subsection may be  
 13 adjusted by zone or land use as provided in subsections (b) and (c).

14 (b) If the benefit of the economic development project varies  
 15 from one (1) area to another within the community infrastructure  
 16 improvement district, up to three (3) zones may be established  
 17 within the district to delineate the approximate difference in  
 18 beneficial impact, and benefits may be apportioned accordingly.

19 (c) In order to encourage the retention or development of  
 20 various land uses within the district, assessments may be adjusted  
 21 according to the zoning classification of the property.

22 Sec. 9. (a) After receipt of a petition under section 7 of this  
 23 chapter, the clerk of the municipality or the county auditor shall,  
 24 in the manner provided by IC 5-3-1, publish notice of a hearing on  
 25 the proposed community infrastructure improvement district. The  
 26 clerk of the municipality or the county auditor shall mail a copy of  
 27 the notice to each owner of real property within the proposed  
 28 community infrastructure improvement district. The notice must  
 29 include the boundaries of the proposed district, a description of the  
 30 proposed projects, the proposed formula for determining the  
 31 percentage of the total benefit to be received by each parcel of  
 32 property, and the hearing date. The date of the hearing may not be  
 33 more than sixty (60) days after the date on which the notice is  
 34 mailed.

35 (b) At the public hearing under subsection (a), the legislative  
 36 body shall hear all owners of real property in the proposed district  
 37 (who appear and request to be heard) upon the questions of:

- 38 (1) the sufficiency of the notice;
- 39 (2) whether the proposed economic improvement projects are
- 40 of public utility and benefit;
- 41 (3) whether the formula to be used for the assessment of
- 42 special benefits is appropriate; and



- 1           (4) whether the district contains all, or more or less than all,  
2           of the property specially benefited by the proposed project.
- 3           **Sec. 10. (a)** After conducting a hearing on the proposed  
4           community infrastructure improvement district, the legislative  
5           body may adopt an ordinance establishing the community  
6           infrastructure improvement district if it determines that:
- 7           (1) the petition meets the requirements of this section and  
8           sections 7 and 8 of this chapter;
- 9           (2) the economic improvement projects to be undertaken in  
10          the district will provide special benefits to property owners in  
11          the district and will be of public utility and benefit;
- 12          (3) the benefits provided by the project will be new benefits  
13          that do not replace benefits existing before the establishment  
14          of the district;
- 15          (4) the formula to be used for the assessment of benefits is  
16          appropriate;
- 17          (5) except as provided in subdivision (6), aggregate  
18          assessments under this chapter do not exceed thirty percent  
19          (30%) of the projected assessed value of property within the  
20          district; and
- 21          (6) in the case of a community infrastructure improvement  
22          district that is established for single family residences, the  
23          aggregate assessments under this chapter do not exceed ten  
24          percent (10%) of the projected assessed value per single  
25          family residence within the district.
- 26          **(b)** The legislative body may adopt the ordinance only if it  
27          determines that the petition has been signed by one hundred  
28          percent (100%) of the owners of real property subject to  
29          assessment within the proposed district.
- 30          **(c)** Unless an owner of property has entered into a voluntary  
31          assessment agreement associated with the economic improvement  
32          project, the signature of a person shall not be considered in  
33          determining whether the requirement under subsection (b) is met  
34          if the person's property:
- 35                (1) is:
- 36                    (A) owned by a nonprofit entity and is exempt from  
37                    property taxation under IC 6-1.1-10-16;
- 38                    (B) owned by this state or a state agency or leased to a  
39                    state agency and is exempt from property taxation under  
40                    IC 6-1.1-10 or any other law; or
- 41                    (C) owned by a political subdivision of this state and is  
42                    exempt from property taxation under IC 6-1.1-10 or any



- 1           other law; or
- 2           (2) would be exempt from assessments under the ordinance.
- 3           (d) In addition, unless an owner of property has entered into a
- 4 voluntary assessment agreement, neither the parcel of real
- 5 property nor the assessed value of any property may be considered
- 6 in determining the total parcels of real property or the total
- 7 assessed value of property in the proposed district for purposes of
- 8 determining whether the requirement under subsection (b) is met
- 9 if the property:
- 10           (1) is:
- 11           (A) owned by a nonprofit entity and is exempt from
- 12 property taxation under IC 6-1.1-10-16;
- 13           (B) owned by this state or a state agency or leased to a
- 14 state agency and is exempt from property taxation under
- 15 IC 6-1.1-10 or any other law; or
- 16           (C) owned by a political subdivision of this state and is
- 17 exempt from property taxation under IC 6-1.1-10 or any
- 18 other law; or
- 19           (2) would be exempt from assessment under the ordinance.
- 20           (e) The assessed value of a property subject to a voluntary
- 21 assessment agreement is the most recent of valuations from either
- 22 the county assessor or a third party evaluation accepted by the
- 23 legislative body.
- 24           Sec. 11. (a) An ordinance adopted under section 10 of this
- 25 chapter may be repealed or amended only after notice of the
- 26 proposed repeal or amendment is published and mailed in the
- 27 manner provided by section 9 of this chapter. However, in no event
- 28 shall any ordinance adopted under this chapter be repealed or
- 29 amended if there is any outstanding debt payable from
- 30 assessments.
- 31           (b) Notwithstanding subsection (a), an ordinance adopted under
- 32 section 10 of this chapter may be amended to add additional,
- 33 contiguous parcels to which benefits of economic improvement
- 34 projects accrue at the request of the owner or owners of such
- 35 parcels. If an ordinance is amended under this subsection, the rate
- 36 and method of apportionment report shall be amended to reflect
- 37 the revised list of parcels and related assessments, and notice must
- 38 be provided under section 14(b) of this chapter.
- 39           Sec. 12. An ordinance adopted under section 10 of this chapter
- 40 may provide that businesses established within the district after the
- 41 creation of the district are exempt from special assessments for a
- 42 period not to exceed one (1) year.





1           **Sec. 13. An ordinance adopted under section 10 of this chapter**  
2 **must establish a community infrastructure improvement board to**  
3 **be appointed by the legislative body. The board must have at least**  
4 **three (3) members, and a majority of the board members must own**  
5 **real property within the district. However, if there is only one (1)**  
6 **property owner within a district, the legislative body shall appoint**  
7 **one (1) member to the community infrastructure improvement**  
8 **board who owns real property within the district and not more**  
9 **than two (2) other members who are not required to own real**  
10 **property within the district.**

11           **Sec. 14. (a) The following apply:**

12           **(1) The board shall use the formula approved by the**  
13 **legislative body under section 10(a)(4) of this chapter to**  
14 **determine the percentage of benefit to be received by each**  
15 **parcel of real property within the community infrastructure**  
16 **improvement district. The board shall apply the percentage**  
17 **determined for each parcel to the total amount that is to be**  
18 **defrayed by special assessment and determine the special**  
19 **assessment for each parcel.**

20           **(2) In the event of a reassessment as provided in section 6(4)**  
21 **of this chapter, the next assessment installment will include an**  
22 **additional amount owed, if any, equal to the difference**  
23 **between the amount originally calculated in subdivision (1)**  
24 **and the amount calculated pursuant to subdivision (1) using**  
25 **the reassessment methodology described in the rate and**  
26 **method of apportionment report.**

27           **(b) Promptly after determining the proposed assessment for**  
28 **each parcel, the board shall mail notice to each owner of property**  
29 **to be assessed. The notice must:**

30           **(1) describe any potential proposed special assessment and**  
31 **estimates of related annual installments thereof, including any**  
32 **method by which the assessments or installments may change**  
33 **depending on factors as set forth in the rate and method of**  
34 **apportionment report;**

35           **(2) state that the rate and method of apportionment report**  
36 **and the proposed special assessment on each parcel of real**  
37 **property in the community infrastructure improvement**  
38 **district is on file and can be seen in the board's office;**

39           **(3) state the time and place where written remonstrances**  
40 **against the special assessment may be filed;**

41           **(4) set forth the time and place where the board will hear any**  
42 **owner of assessed real property who has filed a remonstrance**



1 before the hearing date; and

2 (5) state that the board, after hearing evidence, may decrease,  
3 or leave unchanged, the special assessment on any parcel.

4 (c) The notices must be deposited in the mail twenty (20) days  
5 before the hearing date. The notices to the owners must be  
6 addressed as the names and addresses appear on the tax duplicates  
7 and the records of the county auditor.

8 (d) At the time fixed in the notice, the board shall hear any  
9 owner of assessed real property who has filed a written  
10 remonstrance before the date of the hearing. The hearing may be  
11 continued from time to time as long as is necessary to hear the  
12 owners.

13 (e) The board shall render its decision by either confirming or  
14 decreasing each special assessment by setting opposite each name,  
15 parcel, and proposed assessment, the amount of the assessment as  
16 determined by the board. However, if the total of the special  
17 assessments exceeds the amount needed, the board shall make a  
18 prorated reduction in each special assessment.

19 (f) Except as provided in section 15 of this chapter, the signing  
20 of the special assessment schedule by a majority of the members of  
21 the board and the delivery of the schedule to the county auditor  
22 constitute a final and conclusive determination of the benefits that  
23 are assessed.

24 (g) Each special assessment is a lien on the real property that is  
25 assessed and is subordinate to and subject to all other liens and  
26 encumbrances then existing or thereafter created.

27 (h) The board shall certify to the county auditor the schedule of  
28 special assessments of benefits. For purposes of providing  
29 substantiation of the deductibility of a special assessment for  
30 federal adjusted gross income tax purposes under Section 164 of  
31 the Internal Revenue Code, the board shall, to the extent  
32 practicable, supplement the schedule of special assessments  
33 provided to the county auditor with a statement that identifies the  
34 part of each special assessment that is allocable to interest,  
35 maintenance, and repair charges. If the board provides the county  
36 auditor with the statement, the county auditor shall show, on the  
37 tax statement, the part of the special assessment that is for interest  
38 and maintenance and repair items separately from the remainder  
39 of the special assessment.

40 (i) An assessment or reassessment, interest, the expense of  
41 collection, and reasonable attorney's fees, if incurred, is:

42 (1) a lien that is effective from the date of the ordinance or



1 order levying the assessment until the assessment is paid;

2 (2) a lien that is subject to and subordinate to:

3 (A) all liens and encumbrances existing at the time the  
4 assessment lien becomes effective; and

5 (B) any later extension or amendment of the liens and  
6 encumbrances existing at the time the assessment lien  
7 became effective;

8 (3) a lien that runs with the land and that portion of an  
9 assessment payment that has not yet come due is not  
10 eliminated by transfer of the parcel to a tax exempt owner;  
11 and

12 (4) an assessment lien that may be enforced by the governing  
13 body in the same manner that mortgages are foreclosed.

14 (j) Delinquent installments of the assessment shall incur interest,  
15 penalties, and attorney's fees in the same manner as delinquent ad  
16 valorem taxes.

17 (k) The owner of assessed property, including those by way of  
18 voluntary assessment, may pay at any time all or any part of the  
19 assessment, with interest that has accrued on the assessment, on  
20 any lot or parcel.

21 Sec. 15. (a) Any owner of real property in a community  
22 infrastructure improvement district may file an action contesting  
23 the validity of:

24 (1) the ordinance adopted under section 10 of this chapter; or

25 (2) the assessment schedule adopted under section 14 of this  
26 chapter.

27 (b) An action under this section must be filed:

28 (1) in the circuit or superior court of the county in which the  
29 community infrastructure improvement district is located;  
30 and

31 (2) within thirty (30) days after adoption of either the  
32 ordinance or assessment schedule, respectively.

33 Sec. 16. Within thirty (30) days after the county auditor receives  
34 the certification of final scheduled assessments for the completion  
35 of the economic improvement project, the auditor shall deliver a  
36 copy of the certificate to the county treasurer. Each year, the  
37 board, which may work through a third party administrator, shall  
38 assist the county treasurer in order to:

39 (1) prepare an annual assessment roll, which shall reflect  
40 which parcels, if any, have fully paid any applicable  
41 assessment and therefore no longer owe an assessment  
42 installment;



1 (2) designate which parcels are assessed, and in what  
2 amounts, going forward;

3 (3) establish annual assessment installments consistent with  
4 the rate and method apportionment report; and

5 (4) calculate and add to the annual assessment installments  
6 due any penalties, interest, fees, or payments owed under  
7 section 14(j) of this chapter, and other amounts due.

8 Each year, the treasurer shall add the full annual assessment  
9 installment due in that year to the tax statements of the person  
10 owning the property affected by the assessment, designating it in  
11 a manner distinct from general taxes.

12 Sec. 17. Assessments collected under this chapter shall be paid  
13 to the board.

14 Sec. 18. (a) The board shall establish a community  
15 infrastructure improvement fund and shall deposit in this fund all  
16 assessments received under this chapter and any other amounts  
17 received by the board.

18 (b) Money in the community infrastructure improvement fund  
19 may be used only for the purposes specified in the ordinance  
20 establishing the community infrastructure improvement district.  
21 Any money earned from investment of money in the fund becomes  
22 a part of the fund.

23 Sec. 19. (a) Before November 1 of each year, the board shall  
24 prepare and submit to the fiscal body a budget for the following  
25 calendar year governing the board's projected expenditures from  
26 the community infrastructure improvement fund. Such budget  
27 must include amounts to pay debt service on any bonds supported  
28 by assessments and assessment installments until such bonds are  
29 paid in full. The fiscal body may approve, modify, or reject the  
30 proposed budget.

31 (b) The board may make an expenditure from the community  
32 infrastructure improvement fund only if the expenditure was  
33 approved by the fiscal body in its review of the board's budget or  
34 was otherwise approved by the fiscal body.

35 Sec. 20. The board must comply with IC 36-1-12 when  
36 contracting for public works.

37 Sec. 21. The board may enter into lease or contractual  
38 agreements, or both, with governmental, not-for-profit, or other  
39 private entities for the purpose of carrying out economic  
40 improvement projects.

41 Sec. 22. If the ordinance that established a community  
42 infrastructure improvement district is repealed, the assets and



1 liabilities of the community infrastructure improvement district  
2 shall be disposed of in the manner determined by the unit.  
3 However, liabilities incurred by the community infrastructure  
4 improvement district are not an obligation of the unit and are  
5 payable only from the special assessments and other revenues of  
6 the district.

7 Sec. 23. The board shall submit an annual report to the  
8 legislative body and the fiscal body before February 15 of each  
9 year. The report must summarize the board's activities and  
10 expenditures during the preceding calendar year.

11 Sec. 24. The board may:

12 (1) exercise any of the powers of a unit under IC 36-7-12-18 or  
13 IC 36-7-12-18.5; or

14 (2) issue revenue bonds under section 26 of this chapter;  
15 to finance an economic improvement project.

16 Sec. 25. Upon acceptance or rejection of a proposed community  
17 infrastructure improvement district following a petition under this  
18 chapter, the resulting district (or the person that files the petition,  
19 if the proposed district is rejected) shall, at the request of the unit,  
20 reimburse the unit for all or part of the reasonable expenses  
21 incurred by the unit to comply with this chapter. The legislative  
22 body of the unit may choose not to collect all or part of the  
23 reasonable expenses incurred to comply with this chapter.

24 Sec. 26. (a) In accordance with section 24 of this chapter, the  
25 board may issue bonds or notes payable from assessments assessed  
26 under this chapter to finance economic improvement projects. The  
27 bonds or notes may be publicly offered or privately placed in the  
28 manner determined by the board. Such assessments are not ad  
29 valorem property taxes and any bonds or notes payable from the  
30 assessment revenue are not general obligations of the unit that  
31 established the community infrastructure improvement district.

32 (b) The board may enter into ancillary financial agreements  
33 relating to and in furtherance of its issuance of bonds or notes  
34 under this chapter, including agreements with the unit that  
35 established the district.

36 (c) Bonds or notes issued under this chapter shall include  
37 provisions for redemptions from property owners who choose to  
38 make one (1) time lump sum assessment prepayments on the  
39 unamortized portion of any assessment applicable to their  
40 property.

41 (d) Bonds or notes issued under this chapter are subject to the  
42 following limitations:



1           **(1) The bonds or notes may be issued for a period not to**  
2           **exceed thirty-five (35) years.**  
3           **(2) The average life of the bonds or notes may not exceed one**  
4           **hundred twenty percent (120%) of the average economic life**  
5           **of the improvements for which the bonds or notes are issued.**  
6           **Sec. 27. This chapter expires July 1, 2028.**

