

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 SENATE BILL 489

By: Taylor

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5  
6 AS INTRODUCED

7 An Act relating to cities and towns; amending 11 O.S.  
8 2011, Section 39-103.1, as amended by Section 1,  
9 Chapter 53, O.S.L. 2016 (11 O.S. Supp. 2020, Section  
10 39-103.1), which relates to the improvement  
11 districts; allowing hotels under certain conditions  
12 to opt out; requiring filing with municipal clerk of  
13 property; providing for notice of opt out; updating  
14 statutory references; and providing an effective  
15 date.

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

17 SECTION 1. AMENDATORY 11 O.S. 2011, Section 39-103.1, as  
18 amended by Section 1, Chapter 53, O.S.L. 2016 (11 O.S. Supp. 2020,  
19 Section 39-103.1), is amended to read as follows:

20 Section 39-103.1. A. In addition to those purposes set out in  
21 Section 39-103 of this title, the governing body of any municipality  
22 having a population of more than one thousand five hundred (1,500)  
23 may create one or more districts and levy assessments for the  
24 purpose of providing or causing to be provided any maintenance,  
cleaning, security, shuttle service, upkeep, marketing, management  
or other services which confer special benefits upon property within

1 the district by preserving, enhancing or extending the value or  
2 usefulness of any improvement described in Section 39-103 of this  
3 title, whether or not the improvement was financed or constructed  
4 pursuant to ~~this act~~ the Improvement District Act and such governing  
5 body may exclude or modify such assessments according to benefits  
6 received on properties which are exempt from ad valorem taxation,  
7 except those assessments provided for by Section 39-103 of this  
8 title. Without limiting or expanding the preceding sentence or any  
9 other provision of ~~this act~~ the Improvement District Act, such a  
10 district may be comprised of a designated geographical area within  
11 the municipality and limited to only those properties within such  
12 geographical area on which a hotel or motel having 50 or more rooms  
13 available for occupancy is located, if the sole purpose of the  
14 district is to provide marketing services for private or public  
15 events reasonably calculated to increase occupancy and room rates  
16 for such properties as a class. Such districts may also be used to  
17 fund maintenance, management, marketing and other services being  
18 provided through an active Main Street Program recognized as such by  
19 the Oklahoma Department of Commerce. In addition, such districts  
20 may be used to fund the acquisition, construction, installation or  
21 maintenance of capital improvements with an estimated useful life of  
22 five (5) years or more, including but not limited to:

- 23 1. Parking facilities;
- 24 2. Benches, booths, kiosks and pedestrian shelters;

- 1 3. Signs;
- 2 4. Trash receptacles;
- 3 5. Public restrooms;
- 4 6. Lighting, heating and air conditioning facilities;
- 5 7. Decorations;
- 6 8. Parks, fountains and planting areas; and
- 7 9. Ramps, sidewalks and plazas;

8 provided the total cost of such improvement is funded in one year's  
9 assessment.

10 General street repair and maintenance on any street used by  
11 vehicular traffic shall not be made a part of any assessments  
12 provided for hereunder.

13 B. For districts created under this section, the engineer's  
14 report may be amended by resolution of the governing body to provide  
15 new or additional services or improvements upon the petition of the  
16 record owners of not less than one-half (1/2) of the area liable for  
17 assessment under the proposal. Petitions seeking to add new or  
18 additional services or improvements to an existing district shall be  
19 filed with the city clerk not less than sixty (60) days prior to the  
20 date of the public hearing on the annual assessment roll.

21 The petition shall set forth:

- 22 1. A general description of the new or additional services or  
23 improvements to be provided;

1           2. The estimated costs of the services and improvements  
2 proposed to be added;

3           3. The area of the district to be assessed under the proposal;  
4 and

5           4. The proposed method of assessment.

6           C. For districts created under this section, property adjacent  
7 to such district may be annexed into the district upon the petition  
8 of the record owners of more than sixty percent (60%) of the area  
9 liable to be annexed. Petitions seeking to annex additional  
10 property into an existing assessment district shall be filed with  
11 the city clerk not less than sixty (60) days prior to the hearing on  
12 the annual assessment roll.

13           The petition shall set forth:

14           1. The area to be annexed to the district;

15           2. The nature of the services and/or improvements to be  
16 provided to the area to be annexed;

17           3. The estimated costs of the services and/or improvements to  
18 be provided to the area to be annexed; and

19           4. The proposed method of assessment.

20           D. If the governing body determines that it is desirable to  
21 continue to provide or cause to be provided the improvements and  
22 services, to provide new or additional services, or improvements, or  
23 to annex additional property into an existing assessment district  
24 authorized by this section, the governing body shall annually

1 prepare and cause to be filed in the office of the municipal clerk a  
2 resolution containing, among other things:

3 1. The assessment roll;

4 2. The new or additional services, or improvements proposed to  
5 be provided, if any;

6 3. A description of the area proposed to be annexed into the  
7 district, if any;

8 4. The name and address of the last-known owner of each tract  
9 or parcel of land to be assessed, or if the name of the owner is  
10 unknown, state "unknown". The name and address of the owner of each  
11 tract of land shall be obtained from the records of the county  
12 treasurer;

13 5. A description of each tract or parcel of land to be  
14 assessed; and

15 6. The amount of the assessment against each tract or parcel of  
16 land.

17 If after filing the assessment roll, it appears that the amount  
18 of the assessment against any tract or parcel of land shall be  
19 increased, new or additional services, or improvements are to be  
20 provided or additional property is to be annexed into the district,  
21 the governing body shall by resolution set a time and place for the  
22 hearing on the resolution at which an owner may object to the amount  
23 of the assessment, the new or additional services, or improvements  
24 to be provided or the additional property to be annexed.

1 E. Not more than thirty (30) days nor less than ten (10) days  
2 before the day of the hearing, the municipal clerk, the deputy  
3 municipal clerk or the engineer shall mail the notice of the hearing  
4 on the resolution to the owner of the tract or parcel of land on  
5 which the amount of assessment is increased, new or additional  
6 services or improvements are proposed to be added or proposed to be  
7 annexed into the district. Proof of the mailing is to be made by  
8 affidavit by the municipal clerk, the deputy municipal clerk or the  
9 engineer, which shall be filed in the office of the municipal clerk.  
10 Failure of the owner to receive any notice shall not invalidate any  
11 of the proceedings authorized in the Improvement District Act.

12 Notice of the hearing shall also be published. The last publication  
13 shall be at least seven (7) days prior to the day of the hearing.  
14 Such service by publication shall be verified by an affidavit of the  
15 publisher which is to be filed in the office of the municipal clerk.

16 F. No district created under this section shall continue beyond  
17 the date that final payment of all principal, interest and other  
18 amounts due in connection with bonds issued by that district has  
19 been made, or if no bonds have been issued by the district, beyond  
20 the date that is thirty (30) years after the adoption of the  
21 resolution creating the district, unless re-created as provided in  
22 Section 39-101 et seq. of this title for creation of districts.  
23 Provided that, at any time after its creation, and provided further  
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1 that, no bonds or other financial obligations of a district are then  
2 outstanding, the district shall cease to exist if:

3 1. The governing body by resolution terminates the district; or

4 2. The owners of a majority in area of the tracts or parcels of  
5 land within the district and a majority of the owners of record of  
6 property within the district petition in writing to terminate the  
7 district.

8 Such termination shall take effect at the end of the fiscal year  
9 in which the governing body adopts such resolution or determines the  
10 validity of such petition. Nothing herein shall excuse a tract or  
11 parcel of land from its liability for deferred payments or any  
12 assessment.

13 G. Hotels with fifty (50) rooms or more that are certified  
14 historic hotels as defined by Section 2357.41 of Title 68 of the  
15 Oklahoma Statutes may opt out of an improvement district. The owner  
16 of such property who opts out of an improvement district shall file  
17 in the office of the municipal clerk where the property is located,  
18 an opt-out notice to include the name of the owner, legal  
19 description and address of the property. The notice shall be filed  
20 no later than the fifteenth day of the month and become effective on  
21 the first day of the following month; provided, the property  
22 qualified as a certified historical hotel. On or before the last  
23 day of the month the notice is filed by the property owner, the

1 clerk shall cause an opt-out approval or disapproval notice to be  
2 provided to the property owner.

3 SECTION 2. This act shall become effective November 1, 2021.  
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