

SPONSOR: Sen. Lopez & Rep. Smyk

151ST GENERAL ASSEMBLY
SENATE/HOUSE BILL NO.

AN ACT TO AMEND THE CHARTER OF THE TOWN OF MILTON.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Two-thirds of all members elected to each house thereof concurring therein):

Section 1. Amend Section 14 of the Charter of The Town of Milton by inserting a new subsection (c) by making deletions as shown by strike through and insertions as shown by underline as follows:

(c) Notwithstanding the foregoing provisions of this Section 14 and without complying with the competitive bidding procedures described in this Section 14, the Mayor and the Town Council may enter into any contract necessary or desired in connection with a special development district or tax increment financing district created or designated by the Mayor and the Town Council pursuant to Section 29(41) of this Charter, except a contract in which the Mayor and the Town Council is directly contracting for the procurement of the labor or material for public improvements for the benefit of such district, provided that the foregoing exception shall not apply to development, funding or similar type contracts between the Mayor and the Town Council and an owner of real property in such district when the contract is generally for the transfer by the owner to the Town of Milton of the work performed and the cost of labor or material provided by such owner for the benefit of such district.

Section 2. Amend Section 27 of the Charter of The Town of Milton by inserting a new subsection (j) by making deletions as shown by strike through and insertions as shown by underline as follows:

(j) The provisions of this Section 27 shall apply to all special ad valorem taxes and special taxes levied by the Mayor and the Town Council pursuant to Section 29(41) of this Charter, provided that all references in this Section 27 to an Annual Tax List shall, for all purposes relating to such special ad valorem taxes and special taxes, be deemed to refer to the tax list showing the amounts of special ad valorem taxes or special taxes levied against the real property within a special development district.

Section 3. Amend Section 29 of the Charter of The Town of Milton by inserting a new subsection (41) by making deletions as shown by strike through and insertions as shown by underline as follows:

(41)(A) In addition to all other powers the Mayor and the Town Council may have, and notwithstanding any limitation of law, the Mayor and the Town Council shall have all powers and may undertake all actions for the purposes set forth in, and in accordance with Title 22 of the Delaware Code, Chapter 17, relating to the Municipal Tax Increment Financing Act, and Chapter 18 relating to Special Development Districts.

(B) Bonds issued under this Section 29(41) are nonrecourse to property owners who purchase property in a special development district and a tax increment financing district created under Chapters 17 and 18 of Title 22 of the Delaware Code. Property owners who purchase property in these districts shall only be responsible for the payment of ad valorem real property taxes and special taxes levied by the Mayor and the Town Council pursuant to Chapters 17 and 18 of Title 22 of the Delaware Code.

(C) All provisions of this Section 29, Section 33 of this Charter, and any other section of this Charter, limiting the amounts of indebtedness to be incurred or taxes to be levied by the Mayor and the Town Council shall not apply to any indebtedness incurred or any special ad valorem taxes, special taxes or ad valorem taxes levied pursuant to or in connection with this subsection (41) of Section 29.

Section 4. Amend Section 33(a) of the Charter of The Town of Milton by making deletions as shown by strike through and insertions as shown by underline as follows:

(a) As opposed to the authority pursuant to Section 29(38) or Section 29(41), the Mayor and Town Council may borrow money and issue bonds or certificates of indebtedness to secure the repayment thereof on the faith and credit of the Town of Milton to provide funds for the erection, extension, enlargement, purchase or the repair of any plant, machinery, appliances, or equipment for the supply, or the manufacture and distribution of electricity or gas for light, heat or power purposes; for the furnishing of water to the public, for the construction, repair and improvements of highways, streets or lanes or the paving, curbing or erection of gutters and curbs along the same; for the purchase of real estate for any municipal purpose; for the construction or repair of sewage disposal equipment; or to defray the cost or the share of the Town of the costs of any permanent municipal improvements; provided however, that the borrowing of money therefore shall have been authorized for the Mayor and Town Council in the manner following;

Section 5. If any provision of this Act or the application thereof to any person at circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or applications, and to that end the provisions of this Act are declared severable.

SYNOPSIS

This Act amends the Charter of The Town of Milton to allow the Mayor and the Town Council of The Town of Milton to: (i) exercise the powers given other municipalities as set out in the Municipal Tax Increment Financing Act and the Special Development District Act, (ii) enter into certain contracts without competitive bidding in connection with municipal tax increment financing and special development districts, (iii) collect special ad valorem taxes and special taxes related to the municipal development districts, and (iv) levy special ad valorem taxes, special taxes, and ad valorem taxes in amounts it deems necessary for any municipal tax increment financing and any municipal development districts.