

## VIRGINIA ACTS OF ASSEMBLY — CHAPTER

*An Act to amend and reenact § 15.2-2403 of the Code of Virginia, relating to service districts; property assessment.*

[S 275]

Approved

**Be it enacted by the General Assembly of Virginia:**

**1. That § 15.2-2403 of the Code of Virginia is amended and reenacted as follows:**

§ 15.2-2403. Powers of service districts.

After adoption of an ordinance or ordinances or the entry of an order creating a service district, the governing body or bodies shall have the following powers with respect to the service districts:

1. To construct, maintain and operate such facilities and equipment as may be necessary or desirable to provide additional, more complete or more timely governmental services within a service district, including but not limited to water supply, sewerage, garbage removal and disposal, heat, light, fire-fighting equipment and power and gas systems and sidewalks; economic development services; promotion of business and retail development services; beautification and landscaping; beach and shoreline management and restoration; control of infestations of gypsy moths, cankerworms or other pests identified by the Commissioner of the Department of Agriculture and Consumer Services in accordance with the Virginia Pest Law (§ 3.1-188.20 et seq.); public parking; extra security, street cleaning, snow removal and refuse collection services; sponsorship and promotion of recreational and cultural activities; upon petition of over fifty percent of the property owners who own not less than fifty percent of the property to be served, construction, maintenance and general upkeep of streets and roads that are not under the operation and jurisdiction of the Virginia Department of Transportation; and other services, events, or activities which will enhance the public use and enjoyment of and the public safety, public convenience, and public well-being within a service district. Such services, events or activities shall not be undertaken for the sole or dominant benefit of any particular individual, business or other private entity.

2. To provide, in addition to services authorized by subdivision 1, transportation and transportation services within a service district, including, but not limited to: public transportation systems serving the district; transportation management services; rehabilitation and replacement of existing transportation facilities or systems; and sound walls or sound barriers.

3. To acquire in accordance with § 15.2-1800, any such facilities and equipment and rights, title, interest or easements therefor in and to real estate in such district and maintain and operate the same as may be necessary and desirable to provide the governmental services authorized by subdivisions 1 and 2.

4. To contract with any person, municipality or state agency to provide the governmental services authorized by subdivisions 1 and 2 and to construct, establish, maintain and operate any such facilities and equipment as may be necessary and desirable in connection therewith.

5. To require owners or tenants of any property in the district to connect with any such system or systems, and to contract with the owners or tenants for such connections. The owners or tenants shall have the right of appeal to the circuit court within ten days from action by the governing body.

6. To levy and collect an annual tax upon any property in such service district subject to local taxation to pay, either in whole or in part, the expenses and charges for providing the governmental services authorized by subdivisions 1, 2 and 11 and for constructing, maintaining and operating such facilities and equipment as may be necessary and desirable in connection therewith; however, such annual tax shall not be levied for or used to pay for schools, police or general government services not authorized by this section, and the proceeds from such annual tax shall be so segregated as to enable the same to be expended in the district in which raised. In addition to the tax on property authorized herein, in any city having a population of 350,000 or more and adjacent to the Atlantic Ocean, the city council shall have the power to impose a tax on the base transient room rentals, excluding hotels, motels, and travel campgrounds, within such service district at a rate or percentage not higher than five percent which is in addition to any other transient room rental tax imposed by the city. The proceeds from such additional transient room rental tax shall be deposited in a special fund to be used only for the purpose of beach and shoreline management and restoration. *Any locality imposing a tax pursuant to this subdivision may base the tax on the full assessed value of the taxable property within the service district, notwithstanding any special use value assessment of property within the service district for land preservation pursuant to Article 4 (§ 58.1-3229 et seq.) of Chapter 32 of Title 58.1, provided the owner*

ENROLLED

SB275ER

57 *of such property has given written consent.*

58 7. To accept the allocation, contribution or funds of, or to reimburse from, any available source,  
59 including, but not limited to, any person, authority, transportation district, or state or federal agency for  
60 either the whole or any part of the costs, expenses and charges incident to the acquisition, construction,  
61 reconstruction, maintenance, alteration, improvement, expansion and the operation or maintenance of any  
62 facilities and services in the district.

63 8. To employ and fix the compensation of any technical, clerical or other force and help which from  
64 time to time, in their judgment may be necessary or desirable to provide the governmental services  
65 authorized by subdivisions 1, 2 and 11 or for the construction, operation or maintenance of any such  
66 facilities and equipment as may be necessary or desirable in connection therewith.

67 9. To create and terminate a development board or other body to which shall be granted and  
68 assigned such powers and responsibilities with respect to a special service district as are delegated to it  
69 by ordinance adopted by the governing body of such locality or localities. Any such board or alternative  
70 body created shall be responsible for control and management of funds appropriated for its use by the  
71 governing body or bodies, and such funds may be used to employ or contract with, on such terms and  
72 conditions as the board or other body shall determine, persons, municipal or other governmental entities  
73 or such other entities as the development board or alternative body deems necessary to accomplish the  
74 purposes for which the development board or alternative body has been created. If the district was  
75 created by court order, the ordinance creating the development board or alternative body may provide  
76 that the members appointed to the board or alternative body shall consist of a majority of the  
77 landowners who petitioned for the creation of the district, or their designees or nominees.

78 10. To negotiate and contract with any person or municipality with regard to the connections of any  
79 such system or systems with any other system or systems now in operation or hereafter established, and  
80 with regard to any other matter necessary and proper for the construction or operation and maintenance  
81 of any such system within the district.

82 11. To purchase development rights which will be dedicated as easements for conservation, open  
83 space or other purposes pursuant to the provisions of §§ 10.1-1009 through 10.1-1016. For purposes of  
84 this subdivision, "development rights" means the level and quantity of development permitted by the  
85 zoning ordinance expressed in terms of housing units per acre, floor area ratio or equivalent local  
86 measure. Notwithstanding the provisions of subdivision 3, the governing body shall not use the power of  
87 condemnation to acquire development rights.

88 12. To contract with any state agency or state or local authority for services within the power of the  
89 agency or authority related to the financing, construction or operation of the facilities and services to be  
90 provided within the district; however, nothing in this subdivision shall authorize a locality to obligate its  
91 general tax revenues, or to pledge its full faith and credit.