

Appendix G

Chapter 28E: Joint Exercise of Governmental Powers

Chapter 28M: Regional Transit Districts

CHAPTER 28E: JOINT EXERCISE OF GOVERNMENTAL POWERS and CHAPTER 28M: REGIONAL TRANSIT DISTRICTS

Chapter 28E Purpose:

"The purpose of this chapter is to permit state and local governments in Iowa to make efficient use of their powers by enabling them to provide joint services and facilities with other agencies and to co-operate in other ways of mutual advantage. *This chapter shall be liberally construed to that end.*"

Chapter 28E, Section 28E.1

General Application:

Provides the authority to local government to consolidate or provide joint services such as of law enforcement services, emergency services, joint or shared facilities, join or shared school district facilities, and the creation of regional metropolitan service areas.

Administrative Process:

Communities enter into agreement through contract, resolution or ordinance and sanctioned by each party's governing authority. This agreement must identify the purpose, powers, rights, objectives, and responsibilities of the responsible entities. The "agreement" made be among the parties must be filed with the secretary of state and recorded with the county recorder in order before being enforceable. This agreement would detail the following:

- Purpose of contract;
- The roles and responsibilities of each party;
- Contract duration;
- Join financing and funding mechanisms and establishment and maintenance of a budget; and
- The methods to be utilized for termination of the agreement and for disposing of property upon contract termination.

Chapter 28M: Transit Provisions

Chapter 28M applies to the creation of "regional transit districts" and allows for the appointment of a commission to manage and administer the regional transit district. The purpose of regional transit districts includes:

".....the authority to issue revenue bonds for the establishment, construction, reconstruction, repair, equipping, remodeling, extension, maintenance, and operation of works, vehicles, and facilities of a regional transit district. In addition, a regional transit district, with the approval of the board of supervisors, may issue general obligation bonds as an essential county purpose."

The law states which cities and counties may enter into agreement:

- "A county with a population in excess of one hundred seventy-five thousand and participating cities;
- Two or more contiguous counties and participating cities may create, by chapter 28E agreement if one of the counties has a population in excess of one hundred

seventy-five thousand. A district shall consist of the unincorporated area of any participating county and the incorporated area of any city in the county that does not have an urban transit system. However, a city without an urban transit system may decline, by resolution forwarded to the board of supervisors, to participate in a regional transit district.

- A city with an urban transit system may participate in a regional transit district if the city council, by resolution forwarded to the board of supervisors, notifies the county that the city wishes to participate.
- A city that is located in a nonparticipating county that is contiguous to a county with a population in excess of one hundred seventy-five thousand that is creating a regional transit district may notify that county, by resolution forwarded to the board of supervisors of that county, that the city wishes to participate."

Transit Funding:

The newly created regional transit commission, **with approval from the board** of supervisors of participating parties in the chapter 28E agreement, may:

- Levy a tax **not to exceed** ninety-five cents per thousand dollars of the assessed value of all taxable property in a regional transit district to the extent provided in this section.
- The chapter 28E agreement may authorize the commission to levy the tax at different rates within the participating cities and counties in amounts sufficient to meet the revenue responsibilities of such cities and counties as allocated in the budget adopted by the commission. However, for a city participating in a regional transit district, the total of all the tax levies imposed shall not exceed the aggregate of ninety-five cents per thousand dollars of the assessed value of all taxable property in the participating city.

Additional Information:

Special 28E Transit Provisions:

28E.17 Transit policy - joint agreement - city debt.

1. It is the public policy of this state to encourage the establishment or acquisition of urban mass transit systems and the equipment, maintenance and operation thereof by public agencies in cooperation with, and with the assistance of the urban mass transportation administration of the United States department of transportation, pursuant to the provisions of the Urban Mass Transportation Act of 1964, as amended, Title 49, sections 1601 et seq., United States Code, which requires unification or official coordination of local mass transportation services on an area-wide basis as a condition of such assistance.

2. An agreement between one or more cities and other public agencies for this purpose may be made and carried out without an election and the agency created thereby may jointly exercise through a board of trustees as provided by the agreement all the rights, powers, privileges and immunities of cities related to the provision of mass transportation services, except the authority to incur bonded indebtedness.

3. A city which is a party to a joint transit agency may issue general corporate purpose bonds for the support of a capital program for the joint agency in the following manner:

a. The council shall give notice and conduct a hearing on the proposal in the manner set forth in section 384.25. However, the notice must be published at least ten days prior to the hearing, and if a petition valid under section 362.4 is filed with the clerk of the city prior to the hearing, asking that the question of issuing the bonds be submitted to the registered voters of the city, the council shall either by resolution declare the proposal abandoned or shall direct the county commissioner of elections to call a special election to vote upon the question of issuing the bonds. Notice of the election and its conduct shall be in the manner provided in section 384.26.

b. If no petition is filed, or if a petition is filed and the proposition of issuing bonds is approved at the election, the council may proceed with the authorization and issuance of the bonds.

An agreement may provide for full or partial payment from transit revenues to the cities for meeting debt service on such bonds.

This subsection shall be construed as granting additional power without limiting the power already existing in cities, and as providing an alternative independent method for the carrying out of any project for the issuance and sale of bonds for the financing of a city's share of a capital expenditures project of a joint transit agency, and no further proceedings with respect to the authorization of the bonds shall be required.