

~~(3) All proceeds received from any bonds issued and sold shall be applied solely [for] TO PAY THE COST OF INFRASTRUCTURE IMPROVEMENTS, INCLUDING:~~

~~(i) Costs of design, construction, establishment, extension, alteration, or acquisition of infrastructure improvements;~~

~~(ii) Costs of issuing bonds; [and]~~

~~(iii) Payment of the principal and interest on loans, money advances, or indebtedness incurred by a municipal corporation for any of the purposes stated in subsection (b)(2) of this section, INCLUDING THE REFUNDING OF BONDS PREVIOUSLY ISSUED UNDER THIS SECTION; AND~~

~~(iv) FUNDING OF A DEBT SERVICE RESERVE FUND OR PAYMENT OF INTEREST PRIOR TO, DURING, OR FOR A LIMITED PERIOD OF TIME AFTER CONSTRUCTION.~~

~~(e) (1) Before issuing these bonds, the governing body of the municipal corporation shall:~~

~~(i) Designate by resolution [a contiguous] AN area [within its jurisdiction] OR AREAS as a special taxing district;~~

~~(ii) Subject to paragraph (2) of this subsection, adopt a resolution creating a special fund with respect to the special taxing district; and~~

~~(iii) [Levy] PROVIDE FOR THE LEVY OF an ad valorem OR SPECIAL tax on all real and personal property within the special taxing district at a rate OR AMOUNT designed to provide adequate revenues to pay the principal of, interest on, and redemption premium, if any, on the [bonds and] BONDS, to replenish any debt service reserve fund, [which] AND FOR ANY OTHER PURPOSE RELATED TO THE ONGOING EXPENSES OF OR SECURITY FOR THE BONDS. AD VALOREM taxes shall be levied in the same manner, upon the same assessments, for the same period or periods, and as of the same date or dates of finality as are now or may hereafter be prescribed FOR GENERAL AD VALOREM TAX PURPOSES WITHIN THE DISTRICT, and shall be discontinued when all of the bonds have been paid in full. SPECIAL TAXES SHALL BE LEVIED PURSUANT TO SUBSECTION (N) OF THIS SECTION.~~

~~(2) The resolution creating a special fund under paragraph (1)(ii) of this subsection shall:~~

~~(i) Pledge to the special fund the proceeds of the ad valorem OR SPECIAL tax to be levied as provided under paragraph (1)(iii) of this subsection; and~~

~~(ii) Require that the proceeds from the tax be paid into the special fund.~~

~~(f) [(1)]When no bonds authorized by this section are outstanding with respect to a special taxing district, and the governing body of the municipal corporation so determines, moneys in the special fund may be paid to the general fund of the municipal corporation.~~