§ 99-d. Planning for future capital improvements. 1. Notwithstanding the provisions of any general, special or local law, the governing board or other appropriate authority of a municipal corporation, school district or district corporation may authorize the preparation of surveys, preliminary plans and detailed plans, specifications and estimates necessary for planning for a capital improvement which it is contemplated might be undertaken in the future and may provide for the manner in which the cost thereof shall be financed, subject, however, to the applicable provisions of any general, special or local law respecting the issuance of bonds or notes.

2. The total amount of bonds or capital notes which may be authorized in any fiscal year of the municipal corporation, school district or district corporation to finance such advance planning pursuant to this section shall not exceed the maximum amount of budget notes which it may issue in such year pursuant to subdivision two or subdivision three of paragraph a of section 29.00 of the local finance law, as the case may be, provided, however, that for the purposes of this subdivision, amounts which are to be paid in the first instance from improvement district assessments shall be included in computing "the amount of the annual budget" of a town or a county in accordance with section 29.00 of such law.

3. If the advance planning is undertaken for the purpose of an existing or proposed county or town improvement district, or any extension thereof, the existing district, or the proposed district when created, or the extension thereof, shall reimburse the county or town for the cost of such advance planning, including any interest on any obligations issued to finance such cost. The amount so reimbursed shall be applied first to the payment of any outstanding obligations issued to finance such expenditure.