§ 209. Application of article. Notwithstanding any other provisions of this chapter, the town board of any town may, in the manner provided by this article, establish or extend in said town, improvement districts as defined in this article and provide improvements or services, or both, in any such district, wholly at the expense of the district; but no water supply district shall be established or extended to include lands situate within the boundaries of a water district. Any improvement district as defined in this article established pursuant to this article or otherwise may be extended pursuant to the provisions of this article or any other applicable provision of law. However, this article shall not apply to the extension of any such improvement districts to which the provisions of article thirteen of this chapter are applicable without the prior approval in writing of a majority of the commissioners of such district. No such district shall be established or extended in a city or in an incorporated village provided, however, that such a district may be established or extended wholly or partly within an incorporated village on consent of the village expressed in a local law, ordinance or resolution, subject to a referendum on petition under section twenty-four of the municipal home rule law or a permissive referendum under article five-a of the village law, as the case may be.