

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 992
91ST GENERAL ASSEMBLY

Reported from the Committee on Commerce and Economic Development, April 15, 2002, with recommendation that the House Committee Substitute for Senate Bill No. 992 Do Pass by Consent.

TED WEDEL, Chief Clerk

3820L.02C

AN ACT

To repeal section 447.721, RSMo, and to enact in lieu thereof two new sections relating to property development.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 447.721, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 253.395 and 447.721, to read as follows:

253.395. 1. As used in this section, the following terms mean:

(1) **"Historic properties" or "property", any building, structure, district, area, or site within a municipality's boundaries that is significant in the history, architecture, archaeology, or culture of this state, its communities, or this country, which is eligible for nomination to the National Register of Historic Places;**

(2) **"Municipality", any town, city, or village that has by ordinance established a historic preservation revolving fund as authorized by this section.**

2. Any town, city, or village in the state of Missouri may by ordinance establish a fund for the purpose of protecting and preserving historic properties, such fund to be known as the "Historic Preservation Revolving Fund". All expenses incurred in the acquisition of and all revenues received from the disposition of property as provided in subsections 3 and 4 of this section shall be paid for out of and deposited in the historic preservation revolving fund. Any

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

moneys appropriated and any other moneys made available by gift, grant, bequest, contribution, or otherwise to carry out the purpose of this section, and all interest earned on, and income generated from, moneys in the fund shall be paid to, and deposited in, the historic preservation revolving fund.

3. From the moneys in the historic preservation revolving fund, such municipality may acquire, preserve, restore, hold, maintain, or operate any historic properties, together with such adjacent or associated lands within the municipality's boundaries as may be necessary for their protection, preservation, maintenance, or operation. Any interest in property acquired using the moneys in the historic preservation revolving fund shall be limited to that estate, agency, interest, or term deemed by such municipality to be reasonably necessary for the continued protection or preservation of the property. The moneys in this fund may be used to acquire the fee simple title, but where such municipality finds that a lesser interest, including any development right, negative or affirmative easement in gross or appurtenant covenant, lease or other contractual right of or to any real property to be the most practical and economical method of protecting and preserving historical property, the lesser interest may be acquired. Property may be acquired by gift, grant, bequest, devise, lease, purchase, or otherwise, but not by condemnation.

4. Such municipality may acquire or, in the case of property on which moneys from this fund have been expended, dispose of the fee or lesser interest to any historic property, including adjacent and associated lands, for the specific purpose of conveying or leasing the property back to its original owner or to any such other person, firm, association, corporation, or other organization under such covenants, deed restrictions, lease, or other contractual arrangements as will limit the future use of the property in such a way as to insure its preservation. In all cases where property on which money from this fund has been expended is conveyed or leased, it shall be subjected by covenant or otherwise to such rights of access, public visitation, and other conditions as may be agreed upon between the municipality and the grantee or lessee to operate, maintain, restore, or repair such property. Any conveyance or lease shall contain a reversion clause providing that, in the event the historic property is not operated, maintained, restored, and repaired in accordance with the provisions of this section or in such a way as to insure its preservation, title, and control of such property shall immediately revert to and vest in the municipality.

447.721. 1. There is hereby created in the state treasury the "Contiguous Property Redevelopment Fund", which shall consist of all moneys appropriated to the fund, all moneys required by law to be deposited in the fund, and all gifts, bequests or donations of any kind to the fund. The fund shall be administered by the department of economic development. Subject to appropriation, the fund shall be used solely for the administration of and the purposes described in this section. Notwithstanding the provisions of section 33.080, RSMo, to the contrary, moneys in the fund shall not be transferred to the

general revenue fund at the end of the biennium; provided, however, that all moneys in the fund on August 28, 2006, shall be transferred to the general revenue fund and the fund shall be abolished as of that date. All interest and moneys earned on investments from moneys in the fund shall be credited to the fund.

2. The governing body of any city not within a county, any county of the first classification without a charter form of government and a population of more than two hundred seven thousand but less than three hundred thousand, any county of the first classification with a population of more than nine hundred thousand, **any county of the first classification without a charter form of government and with a population of more than eighty-five thousand nine hundred but less than eighty-six thousand**, any city with a population of more than three hundred fifty thousand that is located in more than one county or any county of the first classification with a charter form of government and a population of more than six hundred thousand but less than nine hundred thousand may apply to the department of economic development for a grant from the contiguous property redevelopment fund. The department of economic development may promulgate the form for such applications in a manner consistent with this section. Grants from the fund may be made to the governing body to assist the body both acquiring multiple contiguous properties within such city and engaging in the initial redeveloping of such properties for future use as private enterprise. For purposes of this section, "initial redeveloping" shall include all allowable costs, as that term is defined in section 447.700, and any other costs involving the improvement of the property to a state in which its redevelopment will be more economically feasible than such property would have been if such improvements had not been made.

3. In awarding grants pursuant to this section, the department shall give preference to those projects which propose the assembly of a greater number of acreage than other projects and to those projects which show that private interest exists for usage of the property once any redevelopment aided by grants pursuant to this section is completed.

4. The department of economic development may promulgate rules for the enforcement of this section. [No rule or portion of a rule promulgated pursuant to this section shall take effect unless it has been promulgated pursuant to chapter 536, RSMo.] **Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2002, shall be invalid and void.**

5. The provisions of this section shall expire on August 28, 2006.