

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 884
93RD GENERAL ASSEMBLY

Reported from the Committee on Local Government April 19, 2006 with recommendation that House Committee Substitute for Senate Bill No. 884 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(26)(f).

STEPHEN S. DAVIS, Chief Clerk

4535L.03C

AN ACT

To repeal sections 99.805, 99.810, 99.820, 99.845, and 99.847, RSMo, and to enact in lieu thereof eight new sections relating to tax increment financing.

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

Section A. Sections 99.805, 99.810, 99.820, 99.845, and 99.847, RSMo, are repealed and
2 eight new sections enacted in lieu thereof, to be known as sections 67.112, 99.805, 99.810,
3 99.820, 99.845, 99.847, 99.866, and 1, to read as follows:

**67.112. The revenue derived from any increase in any real or personal property tax
2 within any tax increment financing district shall be used solely for the specified purposes
3 of the tax increase. In no event shall any such revenue be used for or diverted to any
4 redevelopment plan or project in any tax increment financing district.**

99.805. As used in sections 99.800 to 99.865, unless the context clearly requires
2 otherwise, the following terms shall mean:

3 (1) ["Blighted area", an area which, by reason of the predominance of defective or
4 inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements,
5 improper subdivision or obsolete platting, or the existence of conditions which endanger life or
6 property by fire and other causes, or any combination of such factors, retards the provision of
7 housing accommodations or constitutes an economic or social liability or a menace to the public
8 health, safety, morals, or welfare in its present condition and use;] **"Blighted area", any**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

9 improved or vacant area within the boundaries of a redevelopment project area located
10 within the territorial limits of the municipality where:

11 (a) If improved, industrial, commercial, and residential buildings or improvements
12 are detrimental to the public safety, health, or welfare because of a combination of four or
13 more of the following factors, each of which is present, with that presence documented, to
14 a meaningful extent so that a municipality may reasonably find that the factor is clearly
15 present within the intent of the real property tax increment allocation redevelopment act
16 and reasonably distributed throughout the improved part of the redevelopment project
17 area:

18 a. Dilapidation. "Dilapidation" means an advanced state of disrepair or neglect
19 of necessary repairs to the primary structural components of buildings or improvements
20 in such a combination that a documented building condition analysis determines that
21 major repair is required or the defects are so serious and so extensive that the buildings
22 must be removed;

23 b. Obsolescence. "Obsolescence" means the condition or process of falling into
24 disuse; structures have become ill-suited for the original use;

25 c. Deterioration. "Deterioration" means with respect to buildings, defects
26 including, but not limited to, major defects in the secondary building components such as
27 doors, windows, porches, gutters and downspouts, and fascia. With respect to surface
28 improvements, the condition of roadways, alleys, curbs, gutters, sidewalks, off-street
29 parking, and surface storage areas show deterioration, including but not limited to, surface
30 cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding
31 through paved surfaces;

32 d. Presence of structures below minimum code standards. "Presence of structures
33 below minimum code standards" means all structures that do not meet the standards of
34 zoning, subdivision, building, fire, and other governmental codes applicable to property,
35 but not including housing and property maintenance codes;

36 e. Illegal use of individual structures. "Illegal use of individual structures" means
37 the use of structures in violation of applicable federal, state, or local laws, exclusive of those
38 applicable to the presence of structures below minimum code standards;

39 f. Excessive vacancies. "Excessive vacancies" means the presence of buildings that
40 are unoccupied or under-used and that represent an adverse influence on the area because
41 of the frequency, extent, or duration of the vacancies;

42 g. Lack of ventilation, light, or sanitary facilities. "Lack of ventilation, light, or
43 sanitary facilities" means the absence of adequate ventilation for light or air circulation
44 in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke,

45 or other noxious airborne materials. Inadequate natural light and ventilation means the
46 absence of skylights or windows for interior spaces or rooms and improper window sizes
47 and amounts by room area to window area ratios. Inadequate sanitary facilities refers to
48 the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water
49 and kitchens, and structural inadequacies preventing ingress and egress to and from all
50 rooms and units within a building;

51 h. Inadequate utilities. "Inadequate utilities" means underground and overhead
52 utilities such as storm sewers, storm drainage, sanitary sewers, waterlines, gas, telephone,
53 and electrical services that are shown to be inadequate. Inadequate utilities are those that
54 are:

55 (i) Of insufficient capacity to serve the uses in the redevelopment project area;

56 (ii) Deteriorated, antiquated, obsolete, or in disrepair; or

57 (iii) Lacking within the redevelopment project area;

58 i. Excessive land coverage and overcrowding of structures and community facilities.
59 "Excessive land coverage and overcrowding of structures and community facilities" means
60 the over-intensive use of property and the crowding of buildings and accessory facilities
61 onto a site. Examples of problem conditions warranting the designation of an area as one
62 exhibiting excessive land coverage are:

63 (i) The presence of buildings either improperly situated on parcels or located on
64 parcels of inadequate size and shape in relation to present-day standards of development
65 for health and safety; and

66 (ii) The presence of multiple buildings on a single parcel. For there to be a finding
67 of excessive land coverage, these parcels must exhibit one or more of the following
68 conditions: insufficient provision for light and air within or around buildings; increased
69 threat of spread of fire due to the close proximity of buildings; lack of adequate or proper
70 access to a public right-of-way; lack of reasonably required off-street parking; or
71 inadequate provision for loading and service;

72 j. Deleterious land use or layout. "Deleterious land use or layout" means the
73 existence of incompatible land use relationships, buildings occupied by inappropriate
74 mixed uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding
75 area;

76 k. Environmental clean-up. "Environmental clean-up" means the proposed
77 redevelopment project area has incurred division of environmental quality of the
78 department of natural resources or United States Environmental Protection Agency (EPA)
79 remediation costs for, or a study conducted by an independent consultant recognized as
80 having expertise in environmental remediation has determined a need for, the clean-up of

81 hazardous waste, hazardous substances, or underground storage tanks required by state
82 or federal law, provided that the remediation costs constitute a material impediment to the
83 development or redevelopment of the redevelopment project area;

84 l. Lack of community planning. "Lack of community planning" means the
85 proposed redevelopment project area was developed before or without the benefit or
86 guidance of a community plan, or before the adoption by the municipality of a
87 comprehensive or other community plan or the plan was not followed at the time of the
88 area's development. This factor shall be documented by evidence of adverse or
89 incompatible land use relationships, inadequate street layout, improper subdivision,
90 parcels of inadequate shape and size to meet contemporary development standards, or
91 other evidence demonstrating an absence of effective community planning;

92 m. The total equalized assessed value of the proposed redevelopment project area
93 has declined for two of the last five calendar years before the year in which the
94 redevelopment project area is designated or is increasing at an annual rate that is less than
95 the balance of the municipality for two of the last five calendar years for which information
96 is available or is increasing at an annual rate that is less than the Consumer Price Index
97 for All Urban Consumers published by the United States Department of Labor or its
98 successor agency for two of the last five calendar years before the year in which the
99 redevelopment project area is designated;

100 (b) If vacant, the growth of the redevelopment project area is impaired by a
101 combination of two or more of the following factors, each of which is present, with that
102 presence documented, to a meaningful extent so that a municipality may reasonably find
103 that the factor is clearly present within the intent of the real property tax increment
104 allocation redevelopment act and reasonably distributed throughout the vacant part of the
105 redevelopment project area to which it pertains:

106 a. Obsolete platting of vacant land that results in parcels of limited or narrow size
107 or configurations of parcels of irregular size or shape that would be difficult to develop on
108 a planned basis and in a manner compatible with contemporary standards and
109 requirements, or platting that failed to create rights-of-ways for streets or alleys or that
110 created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or
111 that omitted easements for public utilities;

112 b. Diversity of ownership of parcels of vacant land sufficient in number to retard
113 or impede the ability to assemble the land for development;

114 c. Tax and special assessment delinquencies exist or the property has been the
115 subject of tax sales under Missouri property tax laws within the last five years;

116 **d. Deterioration of structures or site improvements in neighboring areas adjacent**
117 **to the vacant land;**

118 **e. The area has incurred division of environmental quality of the department of**
119 **natural resources or United States Environmental Protection Agency remediation costs for,**
120 **or a study conducted by an independent consultant recognized as having expertise in**
121 **environmental remediation has determined a need for, the clean-up of hazardous waste,**
122 **hazardous substances, or underground storage tanks required by state or federal law,**
123 **provided that the remediation costs constitute a material impediment to the development**
124 **or redevelopment of the redevelopment project area;**

125 **f. The total equalized assessed value of the proposed redevelopment project area**
126 **has declined for two of the last five calendar years before the year in which the**
127 **redevelopment project area is designated or is increasing at an annual rate that is less than**
128 **the balance of the municipality for two of the last five calendar years for which information**
129 **is available or is increasing at an annual rate that is less than the Consumer Price Index**
130 **for All Urban Consumers published by the United States Department of Labor or its**
131 **successor agency for two of the last five calendar years before the year in which the**
132 **redevelopment project area is designated;**

133 (2) "Collecting officer", the officer of the municipality responsible for receiving and
134 processing payments in lieu of taxes or economic activity taxes from taxpayers or the department
135 of revenue;

136 (3) ["Conservation area", any improved area within the boundaries of a redevelopment
137 area located within the territorial limits of a municipality in which fifty percent or more of the
138 structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted
139 area but is detrimental to the public health, safety, morals, or welfare and may become a blighted
140 area because of any one or more of the following factors: dilapidation; obsolescence;
141 deterioration; illegal use of individual structures; presence of structures below minimum code
142 standards; abandonment; excessive vacancies; overcrowding of structures and community
143 facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land
144 coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of
145 community planning. A conservation area shall meet at least three of the factors provided in this
146 subdivision for projects approved on or after December 23, 1997;] **"Conservation area", any**
147 **improved area within the boundaries of a redevelopment project area located within the**
148 **territorial limits of the municipality in which fifty percent or more of the structures in the**
149 **area have an age of thirty-five years or more. Such an area is not yet a blighted area but**
150 **because of a combination of three or more of the following factors is detrimental to the**
151 **public safety, health, morals, or welfare and such an area may become a blighted area:**

152 (a) **Dilapidation.** "Dilapidation" means an advanced state of disrepair or neglect
153 of necessary repairs to the primary structural components of buildings or improvements
154 in such a combination that a documented building condition analysis determines that
155 major repair is required or the defects are so serious and so extensive that the buildings
156 must be removed;

157 (b) **Obsolescence.** "Obsolescence" means the condition or process of falling into
158 disuse; structures have become ill-suited for the original use;

159 (c) **Deterioration.** "Deterioration" means with respect to buildings, defects
160 including, but not limited to, major defects in the secondary building components such as
161 doors, windows, porches, gutters, downspouts, and fascia. With respect to surface
162 improvements, the condition of roadways, alleys, curbs, gutters, sidewalks, off-street
163 parking, and surface storage areas show deterioration, including but not limited to, surface
164 cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding
165 through paved surfaces;

166 (d) **Presence of structures below minimum code standards.** "Presence of structures
167 below minimum code standards" means all structures that do not meet the standards of
168 zoning, subdivision, building, fire, and other governmental codes applicable to property,
169 but not including housing and property maintenance codes;

170 (e) **Illegal use of individual structures.** "Illegal use of individual structures" means
171 the use of structures in violation of applicable federal, state, or local laws, exclusive of those
172 applicable to the presence of structures below minimum code standards;

173 (f) **Excessive vacancies.** "Excessive vacancies" means the presence of buildings that
174 are unoccupied or under-used and that represent an adverse influence on the area because
175 of the frequency, extent, or duration of the vacancies;

176 (g) **Lack of ventilation, light, or sanitary facilities.** "Lack of ventilation, light, or
177 sanitary facilities" means the absence of adequate ventilation for light or air circulation
178 in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke,
179 or other noxious airborne materials. Inadequate natural light and ventilation means the
180 absence or inadequacy of skylights or windows for interior spaces or rooms and improper
181 window sizes and amounts by room area to window area ratios. Inadequate sanitary
182 facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom
183 facilities, hot water and kitchens, and structural inadequacies preventing ingress and
184 egress to and from all rooms and units within a building;

185 (h) **Inadequate utilities.** "Inadequate utilities" means underground and overhead
186 utilities such as storm sewers, storm drainage, sanitary sewers, waterlines, gas, telephone,

187 and electrical services that are shown to be inadequate. Inadequate utilities are those that
188 are:

189 a. Of insufficient capacity to serve the uses in the redevelopment project area;

190 b. Deteriorated, antiquated, obsolete, or in disrepair; or

191 c. Lacking within the redevelopment project area;

192 (i) Excessive land coverage and overcrowding of structures and community
193 facilities. "Excessive land coverage and overcrowding of structures and community
194 facilities" means the over-intensive use of property and the crowding of buildings and
195 accessory facilities onto a site. Examples of problem conditions warranting the designation
196 of an area as one exhibiting excessive land coverage are the presence of buildings either
197 improperly situated on parcels or located on parcels of inadequate size and shape in
198 relation to present-day standards of development for health and safety, or the presence of
199 multiple buildings on a single parcel. For there to be a finding of excessive land coverage,
200 these parcels must exhibit one or more of the following conditions:

201 a. Insufficient provision for light and air within or around buildings;

202 b. Increased threat of spread of fire due to the close proximity of buildings;

203 c. Lack of adequate or proper access to a public right-of-way;

204 d. Lack of reasonably required off-street parking; or

205 e. Inadequate provision for loading and service;

206 (j) Deleterious land use or layout. "Deleterious land use or layout" means the
207 existence of incompatible land use relationships, buildings occupied by inappropriate
208 mixed uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding
209 area;

210 (k) Lack of community planning. "Lack of community planning" means the
211 proposed redevelopment project area was developed before or without the benefit or
212 guidance of a community plan, or the development occurred before the adoption by the
213 municipality of a comprehensive or other community plan or the plan was not followed at
214 the time of the area's development. This factor shall be documented by evidence of adverse
215 or incompatible land-use relationships, inadequate street layout, improper subdivision,
216 parcels of inadequate shape and size to meet contemporary development standards, or
217 other evidence demonstrating an absence of effective community planning;

218 (l) The area has incurred division of environmental quality of the department of
219 natural resources or United States Environmental Protection Agency remediation costs for,
220 or a study conducted by an independent consultant recognized as having expertise in
221 environmental remediation has determined a need for, the clean-up of hazardous waste,
222 hazardous substances, or underground storage tanks required by state or federal law,

provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area;

(m) The total equalized assessed value of the proposed redevelopment project area has declined for two of the last five calendar years for which information is available or is increasing at an annual rate that is less than the balance of the municipality for two of the last five calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or its successor agency for two of the last five calendar years for which information is available;

(4) "Economic activity taxes", the total additional revenue from taxes which are imposed by a municipality and other taxing districts, and which are generated by economic activities within a redevelopment area over the amount of such taxes generated by economic activities within such redevelopment area in the calendar year prior to the adoption of the ordinance designating such a redevelopment area, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments. For redevelopment projects or redevelopment plans approved after December 23, 1997, if a retail establishment relocates within one year from one facility to another facility within the same county and the governing body of the municipality finds that the relocation is a direct beneficiary of tax increment financing, then for purposes of this definition, the economic activity taxes generated by the retail establishment shall equal the total additional revenues from economic activity taxes which are imposed by a municipality or other taxing district over the amount of economic activity taxes generated by the retail establishment in the calendar year prior to its relocation to the redevelopment area;

(5) "Economic development area", any area or portion of an area located within the territorial limits of a municipality, which does not meet the requirements of subdivisions (1) and (3) of this section, and in which the governing body of the municipality finds that redevelopment will not be solely used for development of commercial businesses which unfairly compete in the local economy and is in the public interest because it will:

(a) Discourage commerce, industry or manufacturing from moving their operations to another state; or

(b) Result in increased employment in the municipality; or

(c) Result in preservation or enhancement of the tax base of the municipality;

(6) "Gambling establishment", an excursion gambling boat as defined in section 313.800, RSMo, and any related business facility including any real property improvements which are directly and solely related to such business facility, whose sole purpose is to provide goods or

259 services to an excursion gambling boat and whose majority ownership interest is held by a person
260 licensed to conduct gambling games on an excursion gambling boat or licensed to operate an
261 excursion gambling boat as provided in sections 313.800 to 313.850, RSMo. This subdivision
262 shall be applicable only to a redevelopment area designated by ordinance adopted after December
263 23, 1997;

264 (7) "Municipality", a city, village, or incorporated town or any county of this state. For
265 redevelopment areas or projects approved on or after December 23, 1997, "municipality" applies
266 only to cities, villages, incorporated towns or counties established for at least one year prior to
267 such date;

268 (8) "Obligations", bonds, loans, debentures, notes, special certificates, or other evidences
269 of indebtedness issued by a municipality to carry out a redevelopment project or to refund
270 outstanding obligations;

271 (9) "Ordinance", an ordinance enacted by the governing body of a city, town, or village
272 or a county or an order of the governing body of a county whose governing body is not
273 authorized to enact ordinances;

274 (10) "Payment in lieu of taxes", those estimated revenues from real property in the area
275 selected for a redevelopment project, which revenues according to the redevelopment project or
276 plan are to be used for a private use, which taxing districts would have received had a
277 municipality not adopted tax increment allocation financing, and which would result from levies
278 made after the time of the adoption of tax increment allocation financing during the time the
279 current equalized value of real property in the area selected for the redevelopment project
280 exceeds the total initial equalized value of real property in such area until the designation is
281 terminated pursuant to subsection 2 of section 99.850;

282 (11) "Redevelopment area", an area designated by a municipality, in respect to which the
283 municipality has made a finding that there exist conditions which cause the area to be classified
284 as a blighted area, a conservation area, an economic development area, an enterprise zone
285 pursuant to sections 135.200 to 135.256, RSMo, or a combination thereof, which area includes
286 only those parcels of real property directly and substantially benefited by the proposed
287 redevelopment project;

288 (12) "Redevelopment plan", the comprehensive program of a municipality for
289 redevelopment intended by the payment of redevelopment costs to reduce or eliminate those
290 conditions, the existence of which qualified the redevelopment area as a blighted area,
291 conservation area, economic development area, or combination thereof, and to thereby enhance
292 the tax bases of the taxing districts which extend into the redevelopment area. Each
293 redevelopment plan shall conform to the requirements of section 99.810;

(13) "Redevelopment project", any development project within a redevelopment area in furtherance of the objectives of the redevelopment plan; any such redevelopment project shall include a legal description of the area selected for the redevelopment project;

(14) "Redevelopment project costs" include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan or redevelopment project, as applicable. Such costs include, but are not limited to, the following:

(a) Costs of studies, surveys, plans, and specifications;

(b) **Extraordinary** professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning or special services. **Extraordinary professional service costs shall only include costs required under the real property tax increment allocation redevelopment act.** Except the reasonable costs incurred by the commission established in section 99.820 for the administration of sections 99.800 to 99.865, such costs shall be allowed only as an initial expense which, to be recoverable, shall be included in the costs of a redevelopment plan or project;

(c) Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;

(d) Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings and fixtures;

(e) Initial costs for an economic development area;

(f) Costs of construction of public works or improvements;

(g) Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include payment of interest on any obligations issued pursuant to sections 99.800 to 99.865 accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not more than eighteen months thereafter, and including reasonable reserves related thereto;

(h) All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs;

(i) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or are required to be paid by federal or state law;

(j) Payments in lieu of taxes;

(15) "Special allocation fund", the fund of a municipality or its commission which contains at least two separate segregated accounts for each redevelopment plan, maintained by the treasurer of the municipality or the treasurer of the commission into which payments in lieu

330 of taxes are deposited in one account, and economic activity taxes and other revenues are
331 deposited in the other account;

332 (16) "Taxing districts", any political subdivision of this state having the power to levy
333 taxes;

334 (17) "Taxing districts' capital costs", those costs of taxing districts for capital
335 improvements that are found by the municipal governing bodies to be necessary and to directly
336 result from the redevelopment project; and

337 (18) "Vacant land", any parcel or combination of parcels of real property not used for
338 industrial, commercial, or residential buildings.

99.810. 1. Each redevelopment plan shall set forth in writing a general description of
2 the program to be undertaken to accomplish the objectives and shall include, but need not be
3 limited to, the estimated redevelopment project costs, the anticipated sources of funds to pay the
4 costs, evidence of the commitments to finance the project costs, **noting conditions and**
5 **contingencies, if any**, the anticipated type and term of the sources of funds to pay costs, the
6 anticipated type and terms of the obligations to be issued, the most recent equalized assessed
7 valuation of the property within the redevelopment area which is to be subjected to payments in
8 lieu of taxes and economic activity taxes pursuant to section 99.845, an estimate as to the
9 equalized assessed valuation after redevelopment, and the general land uses to apply in the
10 redevelopment area. No redevelopment plan shall be adopted by a municipality without findings
11 that:

12 (1) The redevelopment area on the whole is a blighted area, a conservation area, or an
13 economic development area, and has not been subject to growth and development through
14 investment by private enterprise and would not reasonably be anticipated to be developed
15 without the adoption of tax increment financing. Such a finding shall include, but not be limited
16 to, a detailed description of the factors that qualify the redevelopment area or project pursuant
17 to this subdivision and an affidavit, signed by the developer or developers and submitted with
18 the redevelopment plan, attesting that the provisions of this subdivision have been met;

19 (2) The redevelopment plan conforms to the comprehensive plan for the development
20 of the municipality as a whole;

21 (3) The estimated dates, which shall not be more than twenty-three years from the
22 adoption of the ordinance approving a redevelopment project within a redevelopment area, of
23 completion of any redevelopment project and retirement of obligations incurred to finance
24 redevelopment project costs have been stated, provided that no ordinance approving a
25 redevelopment project shall be adopted later than ten years from the adoption of the ordinance
26 approving the redevelopment plan under which such project is authorized and provided that no

27 property for a redevelopment project shall be acquired by eminent domain later than five years
28 from the adoption of the ordinance approving such redevelopment project;

29 (4) A plan has been developed for relocation assistance for businesses and residences;

30 (5) A cost-benefit analysis showing the economic impact of the plan on each taxing
31 district which is at least partially within the boundaries of the redevelopment area. The analysis
32 shall show the impact on the economy if the project is not built, and is built pursuant to the
33 redevelopment plan under consideration. The cost-benefit analysis shall include a fiscal impact
34 study on every affected political subdivision, and sufficient information from the developer for
35 the commission established in section 99.820 to evaluate whether the project as proposed is
36 financially feasible;

37 (6) A finding that the plan does not include the initial development or redevelopment of
38 any gambling establishment, provided however, that this subdivision shall be applicable only to
39 a redevelopment plan adopted for a redevelopment area designated by ordinance after December
40 23, 1997.

41 **2. In the event that, within ten days after the passage of a municipal or county**
42 **ordinance adopting a redevelopment plan, the appropriate local election authority receives**
43 **a notice, signed by not less than one hundred registered voters of the municipality or**
44 **county, stating the intention of such registered voters to cause a petition to be circulated**
45 **to resubmit any such ordinance to a second vote by the municipal or county governing**
46 **body, the ordinance shall not take effect as otherwise provided. In the event that, within**
47 **forty days after the passage of a municipal or county ordinance adopting a redevelopment**
48 **plan, the appropriate local election authority receives a petition, signed by a number of**
49 **registered voters equal to at least ten percent of the number of total votes cast in such**
50 **subdivision in the most recent mayoral or county commissioner election, requesting that**
51 **approval of the redevelopment plan be resubmitted to the municipal or county governing**
52 **body for a second vote, the municipal or county governing body shall vote again on the**
53 **adoption of the redevelopment plan. No such plan shall become effective unless and until**
54 **it receives the favorable vote of two-thirds of all the members of the governing body.**

55 **3.** By the last day of February each year, each commission shall report to the director of
56 economic development the name, address, phone number and primary line of business of any
57 business which relocates to the district. The director of the department of economic development
58 shall compile and report the same to the governor, the speaker of the house and the president pro
59 tempore of the senate on the last day of April each year.

99.820. 1. A municipality may:

2 (1) By ordinance introduced in the governing body of the municipality within fourteen
3 to ninety days from the completion of the hearing required in section 99.825, approve

4 redevelopment plans and redevelopment projects, and designate redevelopment project areas
5 pursuant to the notice and hearing requirements of sections 99.800 to 99.865. No redevelopment
6 project shall be approved unless a redevelopment plan has been approved and a redevelopment
7 area has been designated prior to or concurrently with the approval of such redevelopment
8 project and the area selected for the redevelopment project shall include only those parcels of real
9 property and improvements thereon directly and substantially benefited by the proposed
10 redevelopment project improvements;

11 (2) Make and enter into all contracts necessary or incidental to the implementation and
12 furtherance of its redevelopment plan or project;

13 (3) Pursuant to a redevelopment plan, subject to any constitutional limitations, acquire
14 by purchase, donation, lease or, as part of a redevelopment project, eminent domain, own,
15 convey, lease, mortgage, or dispose of, land and other property, real or personal, or rights or
16 interests therein, and grant or acquire licenses, easements and options with respect thereto, all
17 in the manner and at such price the municipality or the commission determines is reasonably
18 necessary to achieve the objectives of the redevelopment plan. No conveyance, lease, mortgage,
19 disposition of land or other property, acquired by the municipality, or agreement relating to the
20 development of the property shall be made except upon the adoption of an ordinance by the
21 governing body of the municipality. Each municipality or its commission shall establish written
22 procedures relating to bids and proposals for implementation of the redevelopment projects.
23 Furthermore, no conveyance, lease, mortgage, or other disposition of land or agreement relating
24 to the development of property shall be made without making public disclosure of the terms of
25 the disposition and all bids and proposals made in response to the municipality's request. Such
26 procedures for obtaining such bids and proposals shall provide reasonable opportunity for any
27 person to submit alternative proposals or bids;

28 (4) Within a redevelopment area, clear any area by demolition or removal of existing
29 buildings and structures;

30 (5) Within a redevelopment area, renovate, rehabilitate, or construct any structure or
31 building;

32 (6) Install, repair, construct, reconstruct, or relocate streets, utilities, and site
33 improvements essential to the preparation of the redevelopment area for use in accordance with
34 a redevelopment plan;

35 (7) Within a redevelopment area, fix, charge, and collect fees, rents, and other charges
36 for the use of any building or property owned or leased by it or any part thereof, or facility
37 therein;

38 (8) Accept grants, guarantees, and donations of property, labor, or other things of value
39 from a public or private source for use within a redevelopment area;

- 40 (9) Acquire and construct public facilities within a redevelopment area;
41 (10) Incur redevelopment costs and issue obligations;
42 (11) Make payment in lieu of taxes, or a portion thereof, to taxing districts;
43 (12) Disburse surplus funds from the special allocation fund to taxing districts as
44 follows:
- 45 (a) Such surplus payments in lieu of taxes shall be distributed to taxing districts within
46 the redevelopment area which impose ad valorem taxes on a basis that is proportional to the
47 current collections of revenue which each taxing district receives from real property in the
48 redevelopment area;
- 49 (b) Surplus economic activity taxes shall be distributed to taxing districts in the
50 redevelopment area which impose economic activity taxes, on a basis that is proportional to the
51 amount of such economic activity taxes the taxing district would have received from the
52 redevelopment area had tax increment financing not been adopted;
- 53 (c) Surplus revenues, other than payments in lieu of taxes and economic activity taxes,
54 deposited in the special allocation fund, shall be distributed on a basis that is proportional to the
55 total receipt of such other revenues in such account in the year prior to disbursement;
- 56 (13) If any member of the governing body of the municipality, a member of a
57 commission established pursuant to subsection 2 of this section, or an employee or consultant
58 of the municipality, involved in the planning and preparation of a redevelopment plan, or
59 redevelopment project for a redevelopment area or proposed redevelopment area, owns or
60 controls an interest, direct or indirect, in any property included in any redevelopment area, or
61 proposed redevelopment area, which property is designated to be acquired or improved pursuant
62 to a redevelopment project, he or she shall disclose the same in writing to the clerk of the
63 municipality, and shall also so disclose the dates, terms, and conditions of any disposition of any
64 such interest, which disclosures shall be acknowledged by the governing body of the
65 municipality and entered upon the minutes books of the governing body of the municipality. If
66 an individual holds such an interest, then that individual shall refrain from any further official
67 involvement in regard to such redevelopment plan, redevelopment project or redevelopment area,
68 from voting on any matter pertaining to such redevelopment plan, redevelopment project or
69 redevelopment area, or communicating with other members concerning any matter pertaining
70 to that redevelopment plan, redevelopment project or redevelopment area. Furthermore, no such
71 member or employee shall acquire any interest, direct or indirect, in any property in a
72 redevelopment area or proposed redevelopment area after either (a) such individual obtains
73 knowledge of such plan or project, or (b) first public notice of such plan, project or area pursuant
74 to section 99.830, whichever first occurs;

75 (14) Charge as a redevelopment cost the reasonable costs incurred by its clerk or other
76 official in administering the redevelopment project. The charge for the clerk's or other official's
77 costs shall be determined by the municipality based on a recommendation from the commission,
78 created pursuant to this section.

79 2. Prior to adoption of an ordinance approving the designation of a redevelopment area
80 or approving a redevelopment plan or redevelopment project, the municipality shall create a
81 commission of nine persons if the municipality is a county or a city not within a county and not
82 a first class county with a charter form of government with a population in excess of nine
83 hundred thousand, and eleven persons if the municipality is not a county and not in a first class
84 county with a charter form of government having a population of more than nine hundred
85 thousand, and twelve persons if the municipality is located in or is a first class county with a
86 charter form of government having a population of more than nine hundred thousand, to be
87 appointed as follows:

88 (1) In all municipalities two members shall be appointed by the school boards whose
89 districts are included within the redevelopment plan or redevelopment area. Such members shall
90 be appointed in any manner agreed upon by the affected districts;

91 (2) In all municipalities one member shall be appointed, in any manner agreed upon by
92 the affected districts, to represent all other districts levying ad valorem taxes within the area
93 selected for a redevelopment project or the redevelopment area, excluding representatives of the
94 governing body of the municipality;

95 (3) In all municipalities six members shall be appointed by the chief elected officer of
96 the municipality, with the consent of the majority of the governing body of the municipality;

97 (4) In all municipalities which are not counties and not in a first class county with a
98 charter form of government having a population in excess of nine hundred thousand, two
99 members shall be appointed by the county of such municipality in the same manner as members
100 are appointed in subdivision (3) of this subsection;

101 (5) In a municipality which is a county with a charter form of government having a
102 population in excess of nine hundred thousand, three members shall be appointed by the cities
103 in the county which have tax increment financing districts in a manner in which the cities shall
104 agree;

105 (6) In a municipality which is located in the first class county with a charter form of
106 government having a population in excess of nine hundred thousand, three members shall be
107 appointed by the county of such municipality in the same manner as members are appointed in
108 subdivision (3) of this subsection;

109 (7) At the option of the members appointed by the municipality, the members who are
110 appointed by the school boards and other taxing districts may serve on the commission for a term

to coincide with the length of time a redevelopment project, redevelopment plan or designation of a redevelopment area is considered for approval by the commission, or for a definite term pursuant to this subdivision. If the members representing school districts and other taxing districts are appointed for a term coinciding with the length of time a redevelopment project, plan or area is approved, such term shall terminate upon final approval of the project, plan or designation of the area by the governing body of the municipality. Thereafter the commission shall consist of the six members appointed by the municipality, except that members representing school boards and other taxing districts shall be appointed as provided in this section prior to any amendments to any redevelopment plans, redevelopment projects or designation of a redevelopment area. If any school district or other taxing jurisdiction fails to appoint members of the commission within thirty days of receipt of written notice of a proposed redevelopment plan, redevelopment project or designation of a redevelopment area, the remaining members may proceed to exercise the power of the commission. Of the members first appointed by the municipality, two shall be designated to serve for terms of two years, two shall be designated to serve for a term of three years and two shall be designated to serve for a term of four years from the date of such initial appointments. Thereafter, the members appointed by the municipality shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms in the same manner as were the original appointments.

3. The commission, subject to approval of the governing body of the municipality, may exercise the powers enumerated in sections 99.800 to 99.865, except final approval of plans, projects and designation of redevelopment areas. The commission shall hold public hearings and provide notice pursuant to sections 99.825 and 99.830. The commission shall vote on all proposed redevelopment plans, redevelopment projects and designations of redevelopment areas, and amendments thereto, within thirty days following completion of the hearing on any such plan, project or designation and shall make recommendations to the governing body within ninety days of the hearing referred to in section 99.825 concerning the adoption of or amendment to redevelopment plans and redevelopment projects and the designation of redevelopment areas. The requirements of subsection 2 of this section and this subsection shall not apply to redevelopment projects upon which the required hearings have been duly held prior to August 31, 1991.

4. If the commission makes a negative recommendation to the governing body regarding a redevelopment plan, redevelopment project, designation of redevelopment area, or amendments thereto, then such plan, project, designation, or amendment shall not be adopted except by a favorable vote of two-thirds of all the members of the governing body.

99.845. 1. A municipality, either at the time a redevelopment project is approved or, in the event a municipality has undertaken acts establishing a redevelopment plan and redevelopment project and has designated a redevelopment area after the passage and approval of sections 99.800 to 99.865 but prior to August 13, 1982, which acts are in conformance with the procedures of sections 99.800 to 99.865, may adopt tax increment allocation financing by passing an ordinance providing that after the total equalized assessed valuation of the taxable real property in a redevelopment project exceeds the certified total initial equalized assessed valuation of the taxable real property in the redevelopment project, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in such redevelopment project by taxing districts and tax rates determined in the manner provided in subsection 2 of section 99.855 each year after the effective date of the ordinance until redevelopment costs have been paid shall be divided as follows:

(1) That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid by the county collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing;

(2) (a) Payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project and any applicable penalty and interest over and above the initial equalized assessed value of each such unit of property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid to the municipal treasurer who shall deposit such payment in lieu of taxes into a special fund called the "Special Allocation Fund" of the municipality for the purpose of paying redevelopment costs and obligations incurred in the payment thereof. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the redevelopment project from which they are derived and shall be collected in the same manner as the real property tax, including the assessment of penalties and interest where applicable. The municipality may, in the ordinance, pledge the funds in the special allocation fund for the payment of such costs and obligations and provide for the collection of payments in lieu of taxes, the lien of which may be foreclosed in the same manner as a special assessment lien as provided in section 88.861, RSMo. No part of the current equalized assessed valuation of each lot, block, tract, or parcel of property in the area selected for the redevelopment project attributable to any increase above the total initial equalized assessed value of such properties shall be used in calculating the general state school aid formula

36 provided for in section 163.031, RSMo, until such time as all redevelopment costs have been
37 paid as provided for in this section and section 99.850;

38 (b) Notwithstanding any provisions of this section to the contrary, for purposes of
39 determining the limitation on indebtedness of local government pursuant to article VI, section
40 26(b) of the Missouri Constitution, the current equalized assessed value of the property in an area
41 selected for redevelopment attributable to the increase above the total initial equalized assessed
42 valuation shall be included in the value of taxable tangible property as shown on the last
43 completed assessment for state or county purposes;

44 (c) The county assessor shall include the current assessed value of all property within
45 the taxing district in the aggregate valuation of assessed property entered upon the assessor's
46 book and verified pursuant to section 137.245, RSMo, and such value shall be utilized for the
47 purpose of the debt limitation on local government pursuant to article VI, section 26(b) of the
48 Missouri Constitution;

49 (3) For purposes of this section, "levies upon taxable real property in such redevelopment
50 project by taxing districts" shall not include the blind pension fund tax levied under the authority
51 of article III, section 38(b) of the Missouri Constitution, or the merchants' and manufacturers'
52 inventory replacement tax levied under the authority of subsection 2 of section 6 of article X of
53 the Missouri Constitution, except in redevelopment project areas in which tax increment
54 financing has been adopted by ordinance pursuant to a plan approved by vote of the governing
55 body of the municipality taken after August 13, 1982, and before January 1, 1998.

56 2. In addition to the payments in lieu of taxes described in subdivision (2) of subsection
57 1 of this section, for redevelopment plans and projects adopted or redevelopment projects
58 approved by ordinance after July 12, 1990, and prior to August 31, 1991, fifty percent of the total
59 additional revenue from taxes, penalties and interest imposed by the municipality, or other taxing
60 districts, which are generated by economic activities within the area of the redevelopment project
61 over the amount of such taxes generated by economic activities within the area of the
62 redevelopment project in the calendar year prior to the adoption of the redevelopment project by
63 ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales
64 or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant
65 to section 70.500, RSMo, licenses, fees or special assessments other than payments in lieu of
66 taxes and any penalty and interest thereon, or, effective January 1, 1998, taxes levied pursuant
67 to section 94.660, RSMo, for the purpose of public transportation, shall be allocated to, and paid
68 by the local political subdivision collecting officer to the treasurer or other designated financial
69 officer of the municipality, who shall deposit such funds in a separate segregated account within
70 the special allocation fund. Any provision of an agreement, contract or covenant entered into
71 prior to July 12, 1990, between a municipality and any other political subdivision which provides

72 for an appropriation of other municipal revenues to the special allocation fund shall be and
73 remain enforceable.

74 3. In addition to the payments in lieu of taxes described in subdivision (2) of subsection
75 1 of this section, for redevelopment plans and projects adopted or redevelopment projects
76 approved by ordinance after August 31, 1991, fifty percent of the total additional revenue from
77 taxes, penalties and interest which are imposed by the municipality or other taxing districts, and
78 which are generated by economic activities within the area of the redevelopment project over the
79 amount of such taxes generated by economic activities within the area of the redevelopment
80 project in the calendar year prior to the adoption of the redevelopment project by ordinance,
81 while tax increment financing remains in effect, but excluding personal property taxes, taxes
82 imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels,
83 taxes levied pursuant to section 70.500, RSMo, [or effective January 1, 1998,] taxes levied for
84 the purpose of public transportation pursuant to section 94.660, RSMo, licenses, fees or special
85 assessments other than payments in lieu of taxes and penalties and interest thereon, **or any sales**
86 **tax imposed by a county with a charter form of government and with more than six**
87 **hundred thousand but fewer than seven hundred thousand inhabitants for the purpose of**
88 **sports stadium improvement**, shall be allocated to, and paid by the local political subdivision
89 collecting officer to the treasurer or other designated financial officer of the municipality, who
90 shall deposit such funds in a separate segregated account within the special allocation fund.

91 4. Beginning January 1, 1998, for redevelopment plans and projects adopted or
92 redevelopment projects approved by ordinance and which have complied with subsections 4 to
93 12 of this section, in addition to the payments in lieu of taxes and economic activity taxes
94 described in subsections 1, 2 and 3 of this section, up to fifty percent of the new state revenues,
95 as defined in subsection 8 of this section, estimated for the businesses within the project area and
96 identified by the municipality in the application required by subsection 10 of this section, over
97 and above the amount of such taxes reported by businesses within the project area as identified
98 by the municipality in their application prior to the approval of the redevelopment project by
99 ordinance, while tax increment financing remains in effect, may be available for appropriation
100 by the general assembly as provided in subsection 10 of this section to the department of
101 economic development supplemental tax increment financing fund, from the general revenue
102 fund, for distribution to the treasurer or other designated financial officer of the municipality
103 with approved plans or projects.

104 5. The treasurer or other designated financial officer of the municipality with approved
105 plans or projects shall deposit such funds in a separate segregated account within the special
106 allocation fund established pursuant to section 99.805.

6. No transfer from the general revenue fund to the Missouri supplemental tax increment financing fund shall be made unless an appropriation is made from the general revenue fund for that purpose. No municipality shall commit any state revenues prior to an appropriation being made for that project. For all redevelopment plans or projects adopted or approved after December 23, 1997, appropriations from the new state revenues shall not be distributed from the Missouri supplemental tax increment financing fund into the special allocation fund unless the municipality's redevelopment plan ensures that one hundred percent of payments in lieu of taxes and fifty percent of economic activity taxes generated by the project shall be used for eligible redevelopment project costs while tax increment financing remains in effect. This account shall be separate from the account into which payments in lieu of taxes are deposited, and separate from the account into which economic activity taxes are deposited.

7. In order for the redevelopment plan or project to be eligible to receive the revenue described in subsection 4 of this section, the municipality shall comply with the requirements of subsection 10 of this section prior to the time the project or plan is adopted or approved by ordinance. The director of the department of economic development and the commissioner of the office of administration may waive the requirement that the municipality's application be submitted prior to the redevelopment plan's or project's adoption or the redevelopment plan's or project's approval by ordinance.

8. For purposes of this section, "new state revenues" means:

(1) The incremental increase in the general revenue portion of state sales tax revenues received pursuant to section 144.020, RSMo, excluding sales taxes that are constitutionally dedicated, taxes deposited to the school district trust fund in accordance with section 144.701, RSMo, sales and use taxes on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by law. In no event shall the incremental increase include any amounts attributable to retail sales unless the municipality or authority has proven to the Missouri development finance board and the department of economic development and such entities have made a finding that the sales tax increment attributable to retail sales is from new sources which did not exist in the state during the baseline year. The incremental increase in the general revenue portion of state sales tax revenues for an existing or relocated facility shall be the amount that current state sales tax revenue exceeds the state sales tax revenue in the base year as stated in the redevelopment plan as provided in subsection 10 of this section; or

(2) The state income tax withheld on behalf of new employees by the employer pursuant to section 143.221, RSMo, at the business located within the project as identified by the municipality. The state income tax withholding allowed by this section shall be the municipality's estimate of the amount of state income tax withheld by the employer within the

142 redevelopment area for new employees who fill new jobs directly created by the tax increment
143 financing project.

144 9. Subsection 4 of this section shall apply only to blighted areas located in enterprise
145 zones, pursuant to sections 135.200 to 135.256, RSMo, blighted areas located in federal
146 empowerment zones, or to blighted areas located in central business districts or urban core areas
147 of cities which districts or urban core areas at the time of approval of the project by ordinance,
148 provided that the enterprise zones, federal empowerment zones or blighted areas contained one
149 or more buildings at least fifty years old; and

150 (1) Suffered from generally declining population or property taxes over the twenty-year
151 period immediately preceding the area's designation as a project area by ordinance; or

152 (2) Was a historic hotel located in a county of the first classification without a charter
153 form of government with a population according to the most recent federal decennial census in
154 excess of one hundred fifty thousand and containing a portion of a city with a population
155 according to the most recent federal decennial census in excess of three hundred fifty thousand.

156 10. The initial appropriation of up to fifty percent of the new state revenues authorized
157 pursuant to subsections 4 and 5 of this section shall not be made to or distributed by the
158 department of economic development to a municipality until all of the following conditions have
159 been satisfied:

160 (1) The director of the department of economic development or his or her designee and
161 the commissioner of the office of administration or his or her designee have approved a tax
162 increment financing application made by the municipality for the appropriation of the new state
163 revenues. The municipality shall include in the application the following items in addition to the
164 items in section 99.810:

165 (a) The tax increment financing district or redevelopment area, including the businesses
166 identified within the redevelopment area;

167 (b) The base year of state sales tax revenues or the base year of state income tax withheld
168 on behalf of existing employees, reported by existing businesses within the project area prior to
169 approval of the redevelopment project;

170 (c) The estimate of the incremental increase in the general revenue portion of state sales
171 tax revenue or the estimate for the state income tax withheld by the employer on behalf of new
172 employees expected to fill new jobs created within the redevelopment area after redevelopment;

173 (d) The official statement of any bond issue pursuant to this subsection after December
174 23, 1997;

175 (e) An affidavit that is signed by the developer or developers attesting that the provisions
176 of subdivision (1) of section 99.810 have been met and specifying that the redevelopment area

177 would not be reasonably anticipated to be developed without the appropriation of the new state
178 revenues;

179 (f) The cost-benefit analysis required by section 99.810 includes a study of the fiscal
180 impact on the state of Missouri; and

181 (g) The statement of election between the use of the incremental increase of the general
182 revenue portion of the state sales tax revenues or the state income tax withheld by employers on
183 behalf of new employees who fill new jobs created in the redevelopment area;

184 (h) The name, street and mailing address, and phone number of the mayor or chief
185 executive officer of the municipality;

186 (i) The street address of the development site;

187 (j) The three-digit North American Industry Classification System number or numbers
188 characterizing the development project;

189 (k) The estimated development project costs;

190 (l) The anticipated sources of funds to pay such development project costs;

191 (m) Evidence of the commitments to finance such development project costs;

192 (n) The anticipated type and term of the sources of funds to pay such development
193 project costs;

194 (o) The anticipated type and terms of the obligations to be issued;

195 (p) The most recent equalized assessed valuation of the property within the development
196 project area;

197 (q) An estimate as to the equalized assessed valuation after the development project area
198 is developed in accordance with a development plan;

199 (r) The general land uses to apply in the development area;

200 (s) The total number of individuals employed in the development area, broken down by
201 full-time, part-time, and temporary positions;

202 (t) The total number of full-time equivalent positions in the development area;

203 (u) The current gross wages, state income tax withholdings, and federal income tax
204 withholdings for individuals employed in the development area;

205 (v) The total number of individuals employed in this state by the corporate parent of any
206 business benefiting from public expenditures in the development area, and all subsidiaries
207 thereof, as of December thirty-first of the prior fiscal year, broken down by full-time, part-time,
208 and temporary positions;

209 (w) The number of new jobs to be created by any business benefiting from public
210 expenditures in the development area, broken down by full-time, part-time, and temporary
211 positions;

212 (x) The average hourly wage to be paid to all current and new employees at the project
213 site, broken down by full-time, part-time, and temporary positions;

214 (y) For project sites located in a metropolitan statistical area, as defined by the federal
215 Office of Management and Budget, the average hourly wage paid to nonmanagerial employees
216 in this state for the industries involved at the project, as established by the United States Bureau
217 of Labor Statistics;

218 (z) For project sites located outside of metropolitan statistical areas, the average weekly
219 wage paid to nonmanagerial employees in the county for industries involved at the project, as
220 established by the United States Department of Commerce;

221 (aa) A list of other community and economic benefits to result from the project;

222 (bb) A list of all development subsidies that any business benefiting from public
223 expenditures in the development area has previously received for the project, and the name of
224 any other granting body from which such subsidies are sought;

225 (cc) A list of all other public investments made or to be made by this state or units of
226 local government to support infrastructure or other needs generated by the project for which the
227 funding pursuant to this section is being sought;

228 (dd) A statement as to whether the development project may reduce employment at any
229 other site, within or without the state, resulting from automation, merger, acquisition, corporate
230 restructuring, relocation, or other business activity;

231 (ee) A statement as to whether or not the project involves the relocation of work from
232 another address and if so, the number of jobs to be relocated and the address from which they
233 are to be relocated;

234 (ff) A list of competing businesses in the county containing the development area and
235 in each contiguous county;

236 (gg) A market study for the development area;

237 (hh) A certification by the chief officer of the applicant as to the accuracy of the
238 development plan;

239 (2) The methodologies used in the application for determining the base year and
240 determining the estimate of the incremental increase in the general revenue portion of the state
241 sales tax revenues or the state income tax withheld by employers on behalf of new employees
242 who fill new jobs created in the redevelopment area shall be approved by the director of the
243 department of economic development or his or her designee and the commissioner of the office
244 of administration or his or her designee. Upon approval of the application, the director of the
245 department of economic development or his or her designee and the commissioner of the office
246 of administration or his or her designee shall issue a certificate of approval. The department of
247 economic development may request the appropriation following application approval;

248 (3) The appropriation shall be either a portion of the estimate of the incremental increase
249 in the general revenue portion of state sales tax revenues in the redevelopment area or a portion
250 of the estimate of the state income tax withheld by the employer on behalf of new employees
251 who fill new jobs created in the redevelopment area as indicated in the municipality's application,
252 approved by the director of the department of economic development or his or her designee and
253 the commissioner of the office of administration or his or her designee. At no time shall the
254 annual amount of the new state revenues approved for disbursements from the Missouri
255 supplemental tax increment financing fund exceed thirty-two million dollars;

256 (4) Redevelopment plans and projects receiving new state revenues shall have a duration
257 of up to fifteen years, unless prior approval for a longer term is given by the director of the
258 department of economic development or his or her designee and the commissioner of the office
259 of administration or his or her designee; except that, in no case shall the duration exceed
260 twenty-three years.

261 11. In addition to the areas authorized in subsection 9 of this section, the funding
262 authorized pursuant to subsection 4 of this section shall also be available in a federally approved
263 levee district, where construction of a levee begins after December 23, 1997, and which is
264 contained within a county of the first classification without a charter form of government with
265 a population between fifty thousand and one hundred thousand inhabitants which contains all
266 or part of a city with a population in excess of four hundred thousand or more inhabitants.

267 12. There is hereby established within the state treasury a special fund to be known as
268 the "Missouri Supplemental Tax Increment Financing Fund", to be administered by the
269 department of economic development. The department shall annually distribute from the
270 Missouri supplemental tax increment financing fund the amount of the new state revenues as
271 appropriated as provided in the provisions of subsections 4 and 5 of this section if and only if the
272 conditions of subsection 10 of this section are met. The fund shall also consist of any gifts,
273 contributions, grants or bequests received from federal, private or other sources. Moneys in the
274 Missouri supplemental tax increment financing fund shall be disbursed per project pursuant to
275 state appropriations.

276 13. Redevelopment project costs may include, at the prerogative of the state, the portion
277 of salaries and expenses of the department of economic development and the department of
278 revenue reasonably allocable to each redevelopment project approved for disbursements from
279 the Missouri supplemental tax increment financing fund for the ongoing administrative functions
280 associated with such redevelopment project. Such amounts shall be recovered from new state
281 revenues deposited into the Missouri supplemental tax increment financing fund created under
282 this section.

283 14. For redevelopment plans or projects approved by ordinance that result in net new
284 jobs from the relocation of a national headquarters from another state to the area of the
285 redevelopment project, the economic activity taxes and new state tax revenues shall not be based
286 on a calculation of the incremental increase in taxes as compared to the base year or prior
287 calendar year for such redevelopment project, rather the incremental increase shall be the amount
288 of total taxes generated from the net new jobs brought in by the national headquarters from
289 another state. In no event shall this subsection be construed to allow a redevelopment project
290 to receive an appropriation in excess of up to fifty percent of the new state revenues.

 99.847. 1. Notwithstanding the provisions of sections 99.800 to 99.865 to the contrary,
2 no new tax increment financing project shall be authorized in any area which is within an area
3 designated as **a one hundred year** flood plain by the Federal Emergency Management Agency
4 and which is located in or partly within a county with a charter form of government with greater
5 than two hundred fifty thousand inhabitants but fewer than three hundred thousand inhabitants,
6 **unless the redevelopment area actually abuts a river or major waterway and is**
7 **substantially surrounded by contiguous properties with residential, industrial, or**
8 **commercial zoning classifications.**

 2. This subsection shall not apply to tax increment financing projects or districts
10 approved prior to July 1, 2003, and shall allow the aforementioned tax increment financing
11 projects to modify, amend or expand such projects including redevelopment project costs by not
12 more than forty percent of such project original projected cost including redevelopment project
13 costs as such projects including redevelopment project costs as such projects redevelopment
14 projects including redevelopment project costs existed as of June 30, 2003, and shall allow the
15 aforementioned tax increment financing district to modify, amend or expand such districts by
16 not more than five percent as such districts existed as of June 30, 2003.

99.866. When a tax increment financing project includes residential uses except in
2 **central business districts as defined in section 99.918, absent a recommendation to the**
3 **contrary from commission members representing the affected school board or boards, real**
4 **property tax levies attributable to the residential portion of the development shall pass**
5 **through to the school district or districts.**

Section 1. In any home rule city with more than four hundred thousand inhabitants
2 **and located in more than one county and any city not within a county, when tax increment**
3 **financing is used for a project, those receiving the financing must make all good faith**
4 **efforts to use minority business enterprises or women business enterprises to help complete**
5 **the project.**

✓