

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 721
96TH GENERAL ASSEMBLY

5478L.04C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 94.837, 99.805, 99.810, 99.825, 99.835, 99.845, and 99.865, RSMo, and to enact in lieu thereof seven new sections relating to tax increment financing in certain counties, with an emergency clause for certain sections.

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

Section A. Sections 94.837, 99.805, 99.810, 99.825, 99.835, 99.845, and 99.865, RSMo, are repealed and seven new sections enacted in lieu thereof, to be known as sections 94.837, 99.805, 99.810, 99.825, 99.835, 99.845, and 99.865, to read as follows:

94.837. 1. **(1)** The governing body of **the following cities may impose a tax as provided in this section:**

(a) Any city of the fourth classification with more than two thousand five hundred but fewer than two thousand six hundred inhabitants and located in any county of the third classification without a township form of government and with more than ten thousand four hundred but fewer than ten thousand five hundred inhabitants[, the governing body of] ;

(b) Any special charter city[, and the governing body of] ;

(c) Any city of the fourth classification with more than one thousand two hundred but fewer than one thousand three hundred inhabitants and located in any county of the third classification without a township form of government and with more than four thousand three hundred but fewer than four thousand four hundred inhabitants.

(2) The governing body of any city listed in subdivision (1) of this subsection may impose a tax on the charges for all sleeping rooms paid by the transient guests of hotels or motels situated in the city or a portion thereof, which shall not be more than five percent per occupied room per night, except that such tax shall not become effective unless the governing body of the city submits to the voters of the city at a state general or primary election a proposal to authorize

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.

17 the governing body of the city to impose a tax under this section. The tax authorized in this
18 section shall be in addition to the charge for the sleeping room and all other taxes imposed by
19 law, and **except as provided in subsection 4 of this section**, the proceeds of such tax shall be
20 used by the city solely for the promotion of tourism. Such tax shall be stated separately from all
21 other charges and taxes.

22 2. The ballot of submission for the tax authorized in this section shall be in substantially
23 the following form:

24 Shall (insert the name of the city) impose a tax on the charges for all
25 sleeping rooms paid by the transient guests of hotels and motels situated in (name
26 of city) at a rate of (insert rate of percent) percent for the sole purpose of promoting
27 tourism?

28 YES NO

29

30 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
31 of the question, then the tax shall become effective on the first day of the second calendar quarter
32 following the calendar quarter in which the election was held. If a majority of the votes cast on
33 the question by the qualified voters voting thereon are opposed to the question, then the tax
34 authorized by this section shall not become effective unless and until the question is resubmitted
35 under this section to the qualified voters of the city and such question is approved by a majority
36 of the qualified voters of the city voting on the question.

37 3. As used in this section, "transient guests" means a person or persons who occupy a
38 room or rooms in a hotel or motel for thirty-one days or less during any calendar quarter.

39 **4. In any special charter city with more than twenty-nine thousand but fewer than**
40 **thirty-two thousand inhabitants, any tax imposed under this section shall be used by the**
41 **city solely for the promotion of tourism and cultural activities, the development,**
42 **construction, and operation of convention facilities, the promotion of business**
43 **development, and the construction of related infrastructure and improvements. The ballot**
44 **of submission for the tax authorized in this subsection shall be in substantially the**
45 **following form:**

46 "Shall (insert the name of the city) impose a tax on the charges for all sleeping
47 rooms paid by the transient guests of hotels and motels and bed and breakfast inns situated
48 in (insert name of city) at a rate of up to five percent for the sole purpose of the
49 promotion of tourism and cultural activities, development, construction, and operation of
50 convention facilities, the promotion of business development, and the construction of
51 related infrastructure and improvements?".

52

53 **If a majority of the votes cast on the question by the qualified voters voting thereon are in**
54 **favor of the question, then the tax shall become effective on the first day of the second**
55 **calendar quarter following the calendar quarter in which the election was held. If a**
56 **majority of the votes cast on the question by the qualified voters voting thereon are**
57 **opposed to the question, then the tax shall not become effective unless and until the**
58 **question is resubmitted under this section to the qualified voters of the political subdivision**
59 **and such question is approved by a majority of the qualified voters voting on the question.**

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;

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

12 (3) "Conservation area", any improved area within the boundaries of a redevelopment
13 area located within the territorial limits of a municipality in which fifty percent or more of the
14 structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted
15 area but is detrimental to the public health, safety, morals, or welfare and may become a blighted
16 area because of any one or more of the following factors: dilapidation; obsolescence;
17 deterioration; illegal use of individual structures; presence of structures below minimum code
18 standards; abandonment; excessive vacancies; overcrowding of structures and community
19 facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land
20 coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of
21 community planning. A conservation area shall meet at least three of the factors provided in this
22 subdivision for projects approved on or after December 23, 1997;

23 (4) "**Disaster area**", **a blighted area located within a municipality for which public**
24 **and individual assistance has been requested by the President under Section 401 of the**
25 **Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. Section 5121,**
26 **et seq., provided that the municipality adopts an ordinance approving the redevelopment**
27 **project within five years after the President declares such disaster;**

28 (5) "Economic activity taxes", the total additional revenue from taxes which are imposed
29 by a municipality and other taxing districts, and which are generated by economic activities

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

43 ~~[(5)]~~ **(6)** "Economic development area", any area or portion of an area located within the
44 territorial limits of a municipality, which does not meet the requirements of subdivisions (1) and
45 (3) of this section, and in which the governing body of the municipality finds that redevelopment
46 will not be solely used for development of commercial businesses which unfairly compete in the
47 local economy and is in the public interest because it will:

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

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

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

52 ~~[(6)]~~ **(7)** "Gambling establishment", an excursion gambling boat as defined in section
53 313.800 and any related business facility including any real property improvements which are
54 directly and solely related to such business facility, whose sole purpose is to provide goods or
55 services to an excursion gambling boat and whose majority ownership interest is held by a person
56 licensed to conduct gambling games on an excursion gambling boat or licensed to operate an
57 excursion gambling boat as provided in sections 313.800 to 313.850. This subdivision shall be
58 applicable only to a redevelopment area designated by ordinance adopted after December 23,
59 1997;

60 ~~[(7)]~~ **(8)** "Greenfield area", any vacant, unimproved, or agricultural property that is
61 located wholly outside the incorporated limits of a city, town, or village, or that is substantially
62 surrounded by contiguous properties with agricultural zoning classifications or uses unless said
63 property was annexed into the incorporated limits of a city, town, or village ten years prior to the
64 adoption of the ordinance approving the redevelopment plan for such greenfield area;

65 [(8)] (9) "Municipality", a city, village, or incorporated town or any county of this state.
66 For redevelopment areas or projects approved on or after December 23, 1997, "municipality"
67 applies only to cities, villages, incorporated towns or counties established for at least one year
68 prior to such date;

69 [(9)] (10) "Obligations", bonds, loans, debentures, notes, special certificates, or other
70 evidences of indebtedness issued by a municipality to carry out a redevelopment project or to
71 refund outstanding obligations;

72 [(10)] (11) "Ordinance", an ordinance enacted by the governing body of a city, town, or
73 village or a county or an order of the governing body of a county whose governing body is not
74 authorized to enact ordinances;

75 [(11)] (12) "Payment in lieu of taxes", those estimated revenues from real property in the
76 area selected for a redevelopment project, which revenues according to the redevelopment
77 project or plan are to be used for a private use, which taxing districts would have received had
78 a municipality not adopted tax increment allocation financing, and which would result from
79 levies made after the time of the adoption of tax increment allocation financing during the time
80 the current equalized value of real property in the area selected for the redevelopment project
81 exceeds the total initial equalized value of real property in such area until the designation is
82 terminated pursuant to subsection 2 of section 99.850;

83 [(12)] (13) "Redevelopment area", an area designated by a municipality, in respect to
84 which the municipality has made a finding that there exist conditions which cause the area to be
85 classified as a blighted area, a conservation area, an economic development area, an enterprise
86 zone pursuant to sections 135.200 to 135.256, or a combination thereof, which area includes only
87 those parcels of real property directly and substantially benefitted by the proposed redevelopment
88 project;

89 [(13)] (14) "Redevelopment plan", the comprehensive program of a municipality for
90 redevelopment intended by the payment of redevelopment costs to reduce or eliminate those
91 conditions, the existence of which qualified the redevelopment area as a blighted area,
92 conservation area, economic development area, or combination thereof, and to thereby enhance
93 the tax bases of the taxing districts which extend into the redevelopment area. Each
94 redevelopment plan shall conform to the requirements of section 99.810;

95 [(14)] (15) "Redevelopment project", any development project within a redevelopment
96 area in furtherance of the objectives of the redevelopment plan; any such redevelopment project
97 shall include a legal description of the area selected for the redevelopment project;

98 [(15)] (16) "Redevelopment project costs" include the sum total of all reasonable or
99 necessary costs incurred or estimated to be incurred, and any such costs incidental to a

100 redevelopment plan or redevelopment project, as applicable. Such costs include, but are not
101 limited to, the following:

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

103 (b) Professional service costs, including, but not limited to, architectural, engineering,
104 legal, marketing, financial, planning or special services. Except the reasonable costs incurred
105 by the commission established in section 99.820 for the administration of sections 99.800 to
106 99.865, such costs shall be allowed only as an initial expense which, to be recoverable, shall be
107 included in the costs of a redevelopment plan or project;

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

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

113 (e) Initial costs for an economic development area;

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

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

120 (h) All or a portion of a taxing district's capital costs **and, in the case of a**
121 **redevelopment area that contains a disaster area, all or a portion of a taxing district's**
122 **operating costs and its debt service costs** resulting from the redevelopment project necessarily
123 incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project,
124 to the extent the municipality by written agreement accepts and approves such costs;

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

127 (j) Payments in lieu of taxes;

128 [(16)] (17) "Special allocation fund", the fund of a municipality or its commission which
129 contains at least two separate segregated accounts for each redevelopment plan, maintained by
130 the treasurer of the municipality or the treasurer of the commission into which payments in lieu
131 of taxes are deposited in one account, and economic activity taxes and other revenues are
132 deposited in the other account;

133 [(17)] (18) "Taxing districts", any political subdivision of this state having the power to
134 levy taxes;

135 [(18)] (19) "Taxing districts' capital costs", those costs of taxing districts for capital
136 improvements that are found by the municipal governing bodies to be necessary and to directly
137 result from the redevelopment project; and

138 [(19)] (20) "Vacant land", any parcel or combination of parcels of real property not used
139 for 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, the anticipated type and term
5 of the sources of funds to pay costs, the anticipated type and terms of the obligations to be issued,
6 the most recent equalized assessed valuation of the property within the redevelopment area
7 which is to be subjected to payments in lieu of taxes and economic activity taxes pursuant to
8 section 99.845, an estimate as to the equalized assessed valuation after redevelopment, and the
9 general land uses to apply in the redevelopment area. No redevelopment plan shall be adopted
10 by a municipality without findings that:

11 (1) The redevelopment area on the whole is:

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

19 (b) **A blighted area in which a majority of the property is located within a disaster**
20 **area;**

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

23 (3) The estimated dates, which shall not be more than twenty-three years from the
24 adoption of the ordinance approving a redevelopment project within a redevelopment area, of
25 completion of any redevelopment project and retirement of obligations incurred to finance
26 redevelopment project costs have been stated, provided that no ordinance approving a
27 redevelopment project shall be adopted later than ten years from the adoption of the ordinance
28 approving the redevelopment plan under which such project is authorized and provided that no
29 property for a redevelopment project shall be acquired by eminent domain later than five years
30 from the adoption of the ordinance approving such redevelopment project;

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

32 (5) A cost-benefit analysis showing the economic impact of the plan on each taxing
33 district which is at least partially within the boundaries of the redevelopment area. The analysis
34 shall show the impact on the economy if the project is not built, and is built pursuant to the
35 redevelopment plan under consideration. The cost-benefit analysis shall include a fiscal impact
36 study on every affected political subdivision, and sufficient information from the developer for
37 the commission established in section 99.820 to evaluate whether the project as proposed is
38 financially feasible, **provided that, in the case of a redevelopment area that contains a**
39 **disaster area, such information regarding financial feasibility may be provided by and**
40 **attested to by the governing body of the municipality;**

41 (6) A finding that the plan does not include the initial development or redevelopment of
42 any gambling establishment, provided however, that this subdivision shall be applicable only to
43 a redevelopment plan adopted for a redevelopment area designated by ordinance after December
44 23, 1997.

45 2. By the last day of February each year, each commission shall report to the director of
46 economic development the name, address, phone number and primary line of business of any
47 business which relocates to the district. The director of the department of economic development
48 shall compile and report the same to the governor, the speaker of the house and the president pro
49 tempore of the senate on the last day of April each year.

99.825. 1. Prior to the adoption of an ordinance proposing the designation of a
2 redevelopment area, or approving a redevelopment plan or redevelopment project, the
3 commission shall fix a time and place for a public hearing as required in subsection 4 of section
4 99.820 and notify each taxing district located wholly or partially within the boundaries of the
5 proposed redevelopment area, plan or project. At the public hearing any interested person or
6 affected taxing district may file with the commission written objections to, or comments on, and
7 may be heard orally in respect to, any issues embodied in the notice. The commission shall hear
8 and consider all protests, objections, comments and other evidence presented at the hearing. The
9 hearing may be continued to another date without further notice other than a motion to be entered
10 upon the minutes fixing the time and place of the subsequent hearing; provided, if the
11 commission is created under subsection 3 of section 99.820, the hearing shall not be continued
12 for more than thirty days beyond the date on which it is originally opened unless such longer
13 period is requested by the chief elected official of the municipality creating the commission and
14 approved by a majority of the commission. Prior to the conclusion of the hearing, changes may
15 be made in the redevelopment plan, redevelopment project, or redevelopment area, provided that
16 each affected taxing district is given written notice of such changes at least seven days prior to
17 the conclusion of the hearing. After the public hearing but prior to the adoption of an ordinance
18 approving a redevelopment plan or redevelopment project, or designating a redevelopment area,

19 changes may be made to the redevelopment plan, redevelopment projects or redevelopment areas
20 without a further hearing, if such changes do not enlarge the exterior boundaries of the
21 redevelopment area or areas, and do not substantially affect the general land uses established in
22 the redevelopment plan or substantially change the nature of the redevelopment projects,
23 provided that notice of such changes shall be given by mail to each affected taxing district and
24 by publication in a newspaper of general circulation in the area of the proposed redevelopment
25 not less than ten days prior to the adoption of the changes by ordinance. After the adoption of
26 an ordinance approving a redevelopment plan or redevelopment project, or designating a
27 redevelopment area, no ordinance shall be adopted altering the exterior boundaries, affecting the
28 general land uses established pursuant to the redevelopment plan or changing the nature of the
29 redevelopment project without complying with the procedures provided in this section pertaining
30 to the initial approval of a redevelopment plan or redevelopment project and designation of a
31 redevelopment area. Hearings with regard to a redevelopment project, redevelopment area, or
32 redevelopment plan may be held simultaneously.

33 2. [Effective January 1, 2008,] If, after concluding the hearing required under this
34 section, the commission makes a recommendation under section 99.820 in opposition to a
35 proposed redevelopment plan, redevelopment project, or designation of a redevelopment area,
36 or any amendments thereto, a municipality desiring to approve such project, plan, designation,
37 or amendments shall do so only upon a two-thirds majority vote of the governing body of such
38 municipality. **Except that no municipality which is a county with a charter form of**
39 **government and with more than nine hundred fifty thousand inhabitants, a county with**
40 **a charter form of government and with more than three hundred thousand but fewer than**
41 **four hundred fifty thousand inhabitants, or a county with a charter form of government**
42 **and with more than two hundred thousand but fewer than three hundred fifty thousand**
43 **inhabitants, or is located in any such county, shall approve such project, plan, designation,**
44 **or amendments thereto, unless a majority of the commission members vote to make a**
45 **recommendation to approve such project, plan, designation, or amendments, or such**
46 **municipality places the question before the qualified voters of the municipality and the**
47 **question is approved by no less than a majority of the voters voting thereon at the next**
48 **regularly scheduled municipal or general election.**

49 3. Tax incremental financing projects within an economic development area shall apply
50 to and fund only the following infrastructure projects: highways, roads, streets, bridges, sewers,
51 traffic control systems and devices, water distribution and supply systems, curbing, sidewalks
52 and any other similar public improvements, but in no case shall it include buildings.

99.835. 1. Obligations secured by the special allocation fund set forth in sections 99.845
2 and 99.850 for the redevelopment area or redevelopment project may be issued by the

3 municipality pursuant to section 99.820 or by the tax increment financing commission to provide
4 for redevelopment costs. Such obligations, when so issued, shall be retired in the manner
5 provided in the ordinance or resolution authorizing the issuance of such obligations by the
6 receipts of payments in lieu of taxes as specified in section 99.855 and, subject to annual
7 appropriation, other tax revenue as specified in section 99.845. A municipality may, in the
8 ordinance or resolution, pledge all or any part of the funds in and to be deposited in the special
9 allocation fund created pursuant to sections 99.845 and 99.850 to the payment of the
10 redevelopment costs and obligations. Any pledge of funds in the special allocation fund may
11 provide for distribution to the taxing districts of moneys not required for payment of
12 redevelopment costs or obligations and such excess funds shall be deemed to be surplus funds,
13 except that any moneys allocated to the special allocation fund as provided in subsection 4 **or**
14 **15** of section 99.845, and which are not required for payment of redevelopment costs and
15 obligations, shall not be distributed to the taxing districts but shall be returned to the department
16 of economic development for credit to the general revenue fund. In the event a municipality only
17 pledges a portion of the funds in the special allocation fund for the payment of redevelopment
18 costs or obligations, any such funds remaining in the special allocation fund after complying with
19 the requirements of the pledge, including the retention of funds for the payment of future
20 redevelopment costs, if so required, shall also be deemed surplus funds. All surplus funds shall
21 be distributed annually to the taxing districts in the redevelopment area by being paid by the
22 municipal treasurer to the county collector who shall immediately thereafter make distribution
23 as provided in subdivision (12) of section 99.820.

24 2. Without limiting the provisions of subsection 1 of this section, the municipality may,
25 in addition to obligations secured by the special allocation fund, pledge any part or any
26 combination of net new revenues of any redevelopment project, or a mortgage on part or all of
27 the redevelopment project to secure its obligations or other redevelopment costs.

28 3. Obligations issued pursuant to sections 99.800 to 99.865 may be issued in one or more
29 series bearing interest at such rate or rates as the issuing body of the municipality shall determine
30 by ordinance or resolution. Such obligations shall bear such date or dates, mature at such time
31 or times not exceeding twenty-three years from their respective dates, when secured by the
32 special allocation fund, be in such denomination, carry such registration privileges, be executed
33 in such manner, be payable in such medium of payment at such place or places, contain such
34 covenants, terms and conditions, and be subject to redemption as such ordinance or resolution
35 shall provide. Obligations issued pursuant to sections 99.800 to 99.865 may be sold at public
36 or private sale at such price as shall be determined by the issuing body and shall state that
37 obligations issued pursuant to sections 99.800 to 99.865 are special obligations payable solely
38 from the special allocation fund or other funds specifically pledged. No referendum approval

39 of the electors shall be required as a condition to the issuance of obligations pursuant to sections
40 99.800 to 99.865.

41 4. The ordinance authorizing the issuance of obligations may provide that the obligations
42 shall contain a recital that they are issued pursuant to sections 99.800 to 99.865, which recital
43 shall be conclusive evidence of their validity and of the regularity of their issuance.

44 5. Neither the municipality, its duly authorized commission, the commissioners or the
45 officers of a municipality nor any person executing any obligation shall be personally liable for
46 such obligation by reason of the issuance thereof. The obligations issued pursuant to sections
47 99.800 to 99.865 shall not be a general obligation of the municipality, county, state of Missouri,
48 or any political subdivision thereof, nor in any event shall such obligation be payable out of any
49 funds or properties other than those specifically pledged as security therefor. The obligations
50 shall not constitute indebtedness within the meaning of any constitutional, statutory or charter
51 debt limitation or restriction.

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

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

19 (2) (a) Payments in lieu of taxes attributable to the increase in the current equalized
20 assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected
21 for the redevelopment project and any applicable penalty and interest over and above the initial
22 equalized assessed value of each such unit of property in the area selected for the redevelopment
23 project shall be allocated to and, when collected, shall be paid to the municipal treasurer who

24 shall deposit such payment in lieu of taxes into a special fund called the "Special Allocation
25 Fund" of the municipality for the purpose of paying redevelopment costs and obligations incurred
26 in the payment thereof. Payments in lieu of taxes which are due and owing shall constitute a lien
27 against the real estate of the redevelopment project from which they are derived and shall be
28 collected in the same manner as the real property tax, including the assessment of penalties and
29 interest where applicable. The municipality may, in the ordinance, pledge the funds in the
30 special allocation fund for the payment of such costs and obligations and provide for the
31 collection of payments in lieu of taxes, the lien of which may be foreclosed in the same manner
32 as a special assessment lien as provided in section 88.861. No part of the current equalized
33 assessed valuation of each lot, block, tract, or parcel of property in the area selected for the
34 redevelopment project attributable to any increase above the total initial equalized assessed value
35 of such properties shall be used in calculating the general state school aid formula provided for
36 in section 163.031 until such time as all redevelopment costs have been paid as provided for in
37 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, and such value shall be utilized for the purpose
47 of the debt limitation on local government pursuant to article VI, section 26(b) of the Missouri
48 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, licenses, fees or special assessments other than payments in lieu of taxes and
66 any penalty and interest thereon, or, effective January 1, 1998, taxes levied pursuant to section
67 94.660, for the purpose of public transportation, shall be allocated to, and paid by the local
68 political subdivision collecting officer to the treasurer or other designated financial officer of the
69 municipality, who shall deposit such funds in a separate segregated account within the special
70 allocation fund. Any provision of an agreement, contract or covenant entered into prior to July
71 12, 1990, between a municipality and any other political subdivision which provides for an
72 appropriation of other municipal revenues to the special allocation fund shall be and remain
73 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, taxes levied for the purpose of public transportation
84 pursuant to section 94.660, licenses, fees or special assessments other than payments in lieu of
85 taxes and penalties and interest thereon, or any sales tax imposed by a county with a charter form
86 of government and with more than six hundred thousand but fewer than seven hundred thousand
87 inhabitants, for the purpose of sports stadium improvement **or levied by such county under**
88 **section 238.410 for the purpose of the county transit authority operating transportation**
89 **facilities**, shall be allocated to, and paid by the local political subdivision collecting officer to
90 the treasurer or other designated financial officer of the municipality, who shall deposit such
91 funds in a separate segregated account within the special allocation fund.

92 4. Beginning January 1, 1998, for redevelopment plans and projects adopted or
93 redevelopment projects approved by ordinance and which have complied with subsections 4 to
94 12 of this section, in addition to the payments in lieu of taxes and economic activity taxes
95 described in subsections 1, 2 and 3 of this section, up to fifty percent of the new state revenues,

96 as defined in subsection 8 of this section, estimated for the businesses within the project area and
97 identified by the municipality in the application required by subsection 10 of this section, over
98 and above the amount of such taxes reported by businesses within the project area as identified
99 by the municipality in their application prior to the approval of the redevelopment project by
100 ordinance, while tax increment financing remains in effect, may be available for appropriation
101 by the general assembly as provided in subsection 10 of this section to the department of
102 economic development supplemental tax increment financing fund, from the general revenue
103 fund, for distribution to the treasurer or other designated financial officer of the municipality
104 with approved plans or projects.

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

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

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

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

127 (1) The incremental increase in the general revenue portion of state sales tax revenues
128 received pursuant to section 144.020, excluding sales taxes that are constitutionally dedicated,
129 taxes deposited to the school district trust fund in accordance with section 144.701, sales and use
130 taxes on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by
131 law. In no event shall the incremental increase include any amounts attributable to retail sales

132 unless the municipality or authority has proven to the Missouri development finance board and
133 the department of economic development and such entities have made a finding that the sales
134 tax increment attributable to retail sales is from new sources which did not exist in the state
135 during the baseline year. The incremental increase in the general revenue portion of state sales
136 tax revenues for an existing or relocated facility shall be the amount that current state sales tax
137 revenue exceeds the state sales tax revenue in the base year as stated in the redevelopment plan
138 as provided in subsection 10 of this section; or

139 (2) The state income tax withheld on behalf of new employees by the employer pursuant
140 to section 143.221 at the business located within the project as identified by the municipality.
141 The state income tax withholding allowed by this section shall be the municipality's estimate of
142 the amount of state income tax withheld by the employer within the redevelopment area for new
143 employees who fill new jobs directly created by the tax increment 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, blighted areas located in federal empowerment
146 zones, or to blighted areas located in central business districts or urban core areas of cities which
147 districts or urban core areas at the time of approval of the project by ordinance, provided that the
148 enterprise zones, federal empowerment zones or blighted areas contained one or more buildings
149 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 **subsection 1 of** section 99.810 have been met and specifying that the
177 redevelopment area would not be reasonably anticipated to be developed without the
178 appropriation of the new state 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 benefitting 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 benefitting 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 benefitting 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.

291 **15. Beginning August 28, 2012, for redevelopment plans and projects adopted or**
292 **redevelopment projects approved by ordinance and which have complied with subsections**
293 **15 to 23 of this section, in addition to the payments in lieu of taxes and economic activity**
294 **taxes described in subsections 1, 2, and 3 of this section, the following revenues may be**
295 **available for appropriation by the general assembly as provided in subsection 21 of this**
296 **section to the Missouri supplemental disaster recovery fund, from the general revenue**
297 **fund, for distribution to the treasurer or other designated financial officer of the**
298 **municipality with approved plans or projects:**

299 **(1) Up to fifty percent of the state disaster recovery revenues, as defined in**
300 **subsection 19 of this section, estimated for the businesses within the project area and**
301 **identified by the municipality in the application required by subsection 21 of this section,**
302 **over and above the amount of such taxes reported by businesses within the project area as**
303 **identified by the municipality in their application prior to the approval of the**
304 **redevelopment project by ordinance, while tax increment financing remains in effect; and**

305 **(2) Any additional state revenues in excess of the amount in subdivision (1) of this**
306 **subsection, to the extent requested by the department of economic development in**
307 **accordance with subsection 23 of this section.**

308 **16. The treasurer or other designated financial officer of the municipality with**
309 **approved plans or projects shall deposit such funds in a separate segregated account within**
310 **the special allocation fund established under section 99.805.**

311 **17. No transfer from the general revenue fund to the Missouri supplemental**
312 **disaster recovery fund shall be made unless an appropriation is made from the general**
313 **revenue fund for that purpose. No municipality shall commit any state revenues prior to**
314 **an appropriation being made for that project. For all redevelopment plans or projects**
315 **adopted or approved after August 28, 2012, appropriations from the state disaster recovery**
316 **revenues and any additional state revenues shall not be distributed from the Missouri**
317 **supplemental disaster recovery fund into the special allocation fund unless the**
318 **municipality's redevelopment plan ensures that one hundred percent of payments in lieu**
319 **of taxes and fifty percent of economic activity taxes generated by the project shall be used**
320 **for eligible redevelopment project costs while tax increment financing remains in effect.**
321 **This account shall be separate from the account into which payments in lieu of taxes are**
322 **deposited, and separate from the account into which economic activity taxes are deposited.**

323 **18. In order for the redevelopment plan or project to be eligible to receive the**
324 **revenues described in subsection 15 of this section, the municipality shall comply with the**
325 **requirements of subsection 21 of this section prior to the time the project or plan is adopted**
326 **or approved by ordinance. The director of the department of economic development and**
327 **the commissioner of the office of administration may waive the requirement that the**
328 **municipality's application be submitted prior to the redevelopment plan's or project's**
329 **adoption or the redevelopment plan's or project's approval by ordinance.**

330 **19. For purposes of this section, "state disaster recovery revenues" means:**

331 **(1) The incremental increase in the general revenue portion of state sales tax**
332 **revenues received under section 144.020, excluding sales taxes that are constitutionally**
333 **dedicated, taxes deposited to the school district trust fund in accordance with section**
334 **144.701, sales and use taxes on motor vehicles, trailers, boats and outboard motors and**
335 **future sales taxes earmarked by law; and**

336 **(2) The incremental increase in state income tax withheld on behalf of employees**
337 **by the employer under section 143.221 at businesses located within the project area as**
338 **identified by the municipality.**

339 **20. Subsection 15 of this section shall apply only to redevelopment areas in which**
340 **a majority of the property is located within disaster areas.**

341 **21. The initial appropriation of state disaster recovery revenues and any additional**
342 **state revenues authorized under subsections 15 and 16 of this section shall not be made to**

343 or distributed by the department of economic development to a municipality until all of the
344 following conditions have been satisfied:

345 (1) The director of the department of economic development or his or her designee
346 and the commissioner of the office of administration or his or her designee have approved
347 a tax increment financing application made by the municipality for the appropriation of
348 the state disaster recovery revenues and any additional state revenues. The municipality
349 shall include in the application the following items in addition to the items in section
350 99.810:

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

353 (b) The base year of state sales tax revenues and the base year of state income tax
354 withheld on behalf of existing employees, reported by existing businesses within the project
355 area prior to approval of the redevelopment project;

356 (c) The estimate of the incremental increase in the general revenue portion of state
357 sales tax revenue and the estimate for the incremental increase in the state income tax
358 withheld by employers on behalf of employees filling jobs created within the redevelopment
359 area after redevelopment;

360 (d) The estimate of additional state revenues being requested in excess of the
361 amount of state disaster recovery revenues in one or more fiscal years in accordance with
362 subsection 23 of this section;

363 (e) The cost-benefit analysis required by section 99.810 includes a study of the fiscal
364 impact on the state of Missouri;

365 (f) The name, street and mailing address, and phone number of the mayor or chief
366 executive officer of the municipality;

367 (g) The three-digit North American Industry Classification System number or
368 numbers characterizing the redevelopment project;

369 (h) The estimated redevelopment project costs;

370 (i) The anticipated sources of funds to pay such redevelopment project costs;

371 (j) Evidence of the commitments to finance such redevelopment project costs;

372 (k) The anticipated type and term of the sources of funds to pay such
373 redevelopment project costs;

374 (l) The anticipated type and terms of the obligations to be issued;

375 (m) The most recent equalized assessed valuation of the property within the
376 redevelopment project area;

377 (n) An estimate as to the equalized assessed valuation after the redevelopment
378 project area is developed in accordance with a redevelopment plan;

- 379 **(o) The general land uses to apply in the redevelopment area;**
380 **(p) The total number of individuals employed in the redevelopment area, broken**
381 **down by full-time, part-time, and temporary positions;**
382 **(q) The total number of full-time equivalent positions in the redevelopment area;**
383 **(r) The current gross wages, state income tax withholdings, and federal income tax**
384 **withholdings for individuals employed in the redevelopment area;**
385 **(s) A list of other community and economic benefits to result from the**
386 **redevelopment project;**
387 **(t) A list of all other public investments made or to be made by the federal**
388 **government, this state or units of local government to support infrastructure or other needs**
389 **generated by the redevelopment project for which the funding under this section is being**
390 **sought;**
391 **(u) A statement as to whether the redevelopment project may reduce employment**
392 **at any other site, within or without the state, resulting from automation, merger,**
393 **acquisition, corporate restructuring, relocation, or other business activity;**
394 **(v) A statement as to whether or not the redevelopment project involves the**
395 **relocation of work from another address and if so, the number of jobs to be relocated and**
396 **the address from which they are to be relocated;**
397 **(w) A market study for the redevelopment area;**
398 **(x) A certification by the chief officer of the applicant as to the accuracy of the**
399 **redevelopment plan;**
400 **(2) The methodologies used in the application for determining the base year and**
401 **determining the estimate of the incremental increase in the general revenue portion of the**
402 **state sales tax revenues and the incremental increase in state income tax withheld by**
403 **employers on behalf of employees filling jobs within the redevelopment area shall be**
404 **approved by the director of the department of economic development or his or her designee**
405 **and the commissioner of the office of administration or his or her designee. Upon approval**
406 **of the application, the director of the department of economic development or his or her**
407 **designee and the commissioner of the office of administration or his or her designee shall**
408 **issue a certificate of approval, which shall provide for a maximum amount of state disaster**
409 **recovery revenues available to the municipality for the duration of the redevelopment**
410 **plans and projects as determined in accordance with subdivision (4) of this subsection. The**
411 **department of economic development may request the appropriation following application**
412 **approval;**

413 **(3) The appropriation may be made from one or more of the following sources, as**
414 **approved by the director of the department of economic development or his or her designee**
415 **and the commissioner of the office of administration or his or her designee;**

416 **(a) The estimate of the incremental increase in the general revenue portion of state**
417 **sales tax revenues in the redevelopment area;**

418 **(b) The estimate of the incremental increase in state income tax withheld by**
419 **employers on behalf of employees filling jobs within the redevelopment area as indicated**
420 **in the municipality's application; and**

421 **(c) Any additional amount requested by the department of economic development**
422 **in accordance with subsection 23 of this section, approved by the director of the**
423 **department of economic development or his or her designee and the commissioner of the**
424 **office of administration or his or her designee.**

425 **(4) Redevelopment plans and projects receiving state disaster recovery revenues**
426 **shall have a duration of up to fifteen years, unless prior approval for a longer term is given**
427 **by the director of the department of economic development or his or her designee and the**
428 **commissioner of the office of administration or his or her designee; except that, in no case**
429 **shall the duration exceed twenty-three years.**

430 **22. There is hereby established within the state treasury a special fund to be known**
431 **as the "Missouri Supplemental Disaster Recovery Fund", to be administered by the**
432 **department of economic development. The department of economic development shall**
433 **create a separate subaccount of the Missouri supplemental disaster recovery fund for each**
434 **redevelopment project approved under subsections 15 to 21 of this section, into which the**
435 **state disaster recovery revenues attributable to each such redevelopment project and any**
436 **additional state revenues shall be deposited at least annually. The department shall**
437 **annually distribute to each municipality from the corresponding subaccount of the**
438 **Missouri supplemental disaster recovery fund the amount of the state disaster recovery**
439 **revenues and any additional state revenues as appropriated to each municipality as**
440 **provided in the provisions of subsections 15 and 16 of this section if and only if such**
441 **municipality has met the conditions of subsection 21 of this section. The fund shall also**
442 **consist of any gifts, contributions, grants or bequests received from federal, private or**
443 **other sources. Moneys in the Missouri supplemental disaster recovery fund shall be**
444 **disbursed per project pursuant to state appropriations. Any moneys remaining in the**
445 **Missouri supplemental disaster recovery fund at the end of any fiscal year shall not lapse**
446 **to the general revenue fund, as provided for in section 33.080, but shall remain in the**
447 **Missouri supplemental disaster recovery fund.**

448 **23. Notwithstanding anything to the contrary in subsections 15 to 22 of this section,**
449 **the department of economic development may request an appropriation for any given fiscal**
450 **year of additional state revenues from the general fund to a particular subaccount of the**
451 **Missouri supplemental disaster recovery fund in excess of the amount of state disaster**
452 **recovery revenues estimated to be generated within the applicable redevelopment project**
453 **in the calendar year immediately preceding such fiscal year, so long as the total amount of**
454 **appropriations to such subaccount of the Missouri supplemental disaster recovery fund**
455 **does not exceed the maximum amount provided for in the certificate of approval issued**
456 **pursuant to subsection 21 of this section.**

457 **24. Redevelopment project costs may include, at the prerogative of the state, the**
458 **portion of salaries and expenses of the department of economic development and the**
459 **department of revenue reasonably allocable to each redevelopment project approved for**
460 **disbursements from the Missouri supplemental disaster recovery fund for the ongoing**
461 **administrative functions associated with such redevelopment project. Such amounts shall**
462 **be recovered from state disaster recovery revenues deposited into the Missouri**
463 **supplemental disaster recovery fund created under this section.**

 99.865. 1. Each year the governing body of the municipality, or its designee, shall
2 prepare a report concerning the status of each redevelopment plan and redevelopment project,
3 and shall submit a copy of such report to the director of the department of economic
4 development. The report shall include the following:

5 (1) The amount and source of revenue in the special allocation fund;

6 (2) The amount and purpose of expenditures from the special allocation fund;

7 (3) The amount of any pledge of revenues, including principal and interest on any
8 outstanding bonded indebtedness;

9 (4) The original assessed value of the redevelopment project;

10 (5) The assessed valuation added to the redevelopment project;

11 (6) Payments made in lieu of taxes received and expended;

12 (7) The economic activity taxes generated within the redevelopment area in the calendar
13 year prior to the approval of the redevelopment plan, to include **the following:**

14 **(a) For redevelopment plans and redevelopment projects adopted or redevelopment**
15 **projects approved by ordinance and which have complied with subsections 4 to 12 of**
16 **section 99.845, a separate entry for the state sales tax revenue base for the redevelopment area**
17 **or the state income tax withheld by employers on behalf of existing employees in the**
18 **redevelopment area prior to the redevelopment plan; or**

19 **(b) For redevelopment plans and redevelopment projects adopted or redevelopment**
20 **projects approved by ordinance and which have complied with subsections 15 to 23 of**

21 **section 99.845, a separate entry for the state sales tax revenue base for the redevelopment**
22 **area and the state income tax withheld by employers on behalf of existing employees in the**
23 **redevelopment area prior to the redevelopment plan;**

24 (8) The economic activity taxes generated within the redevelopment area after the
25 approval of the redevelopment plan, to include **the following:**

26 **(a) For redevelopment plans and redevelopment projects adopted or redevelopment**
27 **projects approved by ordinance and which have complied with subsections 4 to 12 of**
28 **section 99.845, a separate entry for the increase in state sales tax revenues for the redevelopment**
29 **area or the increase in state income tax withheld by employers on behalf of new employees who**
30 **fill new jobs created in the redevelopment area; or**

31 **(b) For redevelopment plans and redevelopment projects adopted or redevelopment**
32 **projects approved by ordinance and which have complied with subsections 15 to 23 of**
33 **section 99.845, a separate entry for the increase in state sales tax revenues for the**
34 **redevelopment area and the increase in state income tax withheld by employers on behalf**
35 **of employees filling jobs within the redevelopment area and a separate entry for any**
36 **additional state revenues received in accordance with subsection 23 of section 99.845;**

37 (9) Reports on contracts made incident to the implementation and furtherance of a
38 redevelopment plan or project;

39 (10) A copy of any redevelopment plan, which shall include the required findings and
40 cost-benefit analysis pursuant to subdivisions (1) to (6) of section 99.810;

41 (11) The cost of any property acquired, disposed of, rehabilitated, reconstructed, repaired
42 or remodeled;

43 (12) The number of parcels acquired by or through initiation of eminent domain
44 proceedings; and

45 (13) Any additional information the municipality deems necessary.

46 2. Data contained in the report mandated pursuant to the provisions of subsection 1 of
47 this section and any information regarding amounts disbursed to municipalities pursuant to the
48 provisions of section 99.845 shall be deemed a public record, as defined in section 610.010. An
49 annual statement showing the payments made in lieu of taxes received and expended in that year,
50 the status of the redevelopment plan and projects therein, amount of outstanding bonded
51 indebtedness and any additional information the municipality deems necessary shall be published
52 in a newspaper of general circulation in the municipality.

53 3. Five years after the establishment of a redevelopment plan and every five years
54 thereafter the governing body shall hold a public hearing regarding those redevelopment plans
55 and projects created pursuant to sections 99.800 to 99.865. The purpose of the hearing shall be
56 to determine if the redevelopment project is making satisfactory progress under the proposed

57 time schedule contained within the approved plans for completion of such projects. Notice of
58 such public hearing shall be given in a newspaper of general circulation in the area served by the
59 commission once each week for four weeks immediately prior to the hearing.

60 4. The director of the department of economic development shall submit a report to the
61 state auditor, the speaker of the house of representatives, and the president pro tem of the senate
62 no later than February first of each year. The report shall contain a summary of all information
63 received by the director pursuant to this section.

64 5. For the purpose of coordinating all tax increment financing projects using new state
65 revenues **or state disaster recovery revenues**, the director of the department of economic
66 development may promulgate rules and regulations to ensure compliance with this section. Such
67 rules and regulations may include methods for enumerating all of the municipalities which have
68 established commissions pursuant to section 99.820. No rule or portion of a rule promulgated
69 under the authority of sections 99.800 to 99.865 shall become effective unless it has been
70 promulgated pursuant to the provisions of chapter 536. All rulemaking authority delegated prior
71 to June 27, 1997, is of no force and effect and repealed; however, nothing in this section shall
72 be interpreted to repeal or affect the validity of any rule filed or adopted prior to June 27, 1997,
73 if such rule complied with the provisions of chapter 536. The provisions of this section and
74 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
75 to chapter 536, including the ability to review, to delay the effective date, or to disapprove and
76 annul a rule or portion of a rule, are subsequently held unconstitutional, then the purported grant
77 of rulemaking authority and any rule so proposed and contained in the order of rulemaking shall
78 be invalid and void.

79 6. The department of economic development shall provide information and technical
80 assistance, as requested by any municipality, on the requirements of sections 99.800 to 99.865.
81 Such information and technical assistance shall be provided in the form of a manual, written in
82 an easy-to-follow manner, and through consultations with departmental staff.

83 7. Any municipality which fails to comply with the reporting requirements provided in
84 this section shall be prohibited from implementing any new tax increment finance project for a
85 period of no less than five years from such municipality's failure to comply.

86 8. Based upon the information provided in the reports required under the provisions of
87 this section, the state auditor shall make available for public inspection on the auditor's website,
88 a searchable electronic database of such municipal tax increment finance reports. All
89 information contained within such database shall be maintained for a period of no less than ten
90 years from initial posting.

Section B. Because immediate action is necessary to provide tax relief as the result of
2 the recent natural disasters in this state, the repeal and reenactment of sections 99.805, 99.810,
3 99.835, 99.845, and 99.865 of this act are deemed necessary for the immediate preservation of
4 the public health, welfare, peace, and safety, and are hereby declared to be an emergency act
5 within the meaning of the constitution, and the repeal and reenactment of sections 99.805,
6 99.810, 99.835, 99.845, and 99.865 of this act shall be in full force and effect upon its passage
7 and approval.

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