

FIRST REGULAR SESSION  
[ P E R F E C T E D ]  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 248**  
97TH GENERAL ASSEMBLY

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Reported from the Committee on Jobs, Economic Development and Local Government, March 14, 2013, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

Senate Committee Substitute adopted March 28, 2013.

Taken up March 28, 2013. Read 3rd time and placed upon its final passage; bill passed.

0768S.03P

TERRY L. SPIELER, Secretary.

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**AN ACT**

To repeal section 67.457, RSMo, and to enact in lieu thereof one new section relating to notice of neighborhood improvement districts.

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

Section A. Section 67.457, RSMo, is repealed and one new section enacted  
2 in lieu thereof, to be known as section 67.457, to read as follows:

67.457. 1. To establish a neighborhood improvement district, the  
2 governing body of any city or county shall comply with either of the procedures  
3 described in subsection 2 or 3 of this section.

4 2. The governing body of any city or county proposing to create a  
5 neighborhood improvement district may by resolution submit the question of  
6 creating such district to all qualified voters residing within such district at a  
7 general or special election called for that purpose. Such resolution shall set forth  
8 the project name for the proposed improvement, the general nature of the  
9 proposed improvement, the estimated cost of such improvement, the boundaries  
10 of the proposed neighborhood improvement district to be assessed, and the  
11 proposed method or methods of assessment of real property within the district,  
12 including any provision for the annual assessment of maintenance costs of the  
13 improvement in each year during the term of the bonds issued for the original  
14 improvement and after such bonds are paid in full. The governing body of the  
15 city or county may create a neighborhood improvement district when the question  
16 of creating such district has been approved by the vote of the percentage of  
17 electors within such district voting thereon that is equal to the percentage of  
18 voter approval required for the issuance of general obligation bonds of such city

19 or county under article VI, section 26 of the constitution of this state. The notice  
 20 of election containing the question of creating a neighborhood improvement  
 21 district shall contain the project name for the proposed improvement, the general  
 22 nature of the proposed improvement, the estimated cost of such improvement, the  
 23 boundaries of the proposed neighborhood improvement district to be assessed, the  
 24 proposed method or methods of assessment of real property within the district,  
 25 including any provision for the annual assessment of maintenance costs of the  
 26 improvement in each year after the bonds issued for the original improvement are  
 27 paid in full, and a statement that the final cost of such improvement assessed  
 28 against real property within the district and the amount of general obligation  
 29 bonds issued therefor shall not exceed the estimated cost of such improvement,  
 30 as stated in such notice, by more than twenty-five percent, and that the annual  
 31 assessment for maintenance costs of the improvements shall not exceed the  
 32 estimated annual maintenance cost, as stated in such notice, by more than  
 33 twenty-five percent. The ballot upon which the question of creating a  
 34 neighborhood improvement district is submitted to the qualified voters residing  
 35 within the proposed district shall contain a question in substantially the following  
 36 form:

37        Shall ..... (name of city or county) be authorized to  
 38 create a neighborhood improvement district proposed for the .....  
 39 (project name for the proposed improvement) and incur indebtedness and issue  
 40 general obligation bonds to pay for all or part of the cost of public improvements  
 41 within such district, the cost of all indebtedness so incurred to be assessed by the  
 42 governing body of the ..... (city or county) on the real property  
 43 benefitted by such improvements for a period of ..... years, and, if included in  
 44 the resolution, an assessment in each year thereafter with the proceeds thereof  
 45 used solely for maintenance of the improvement?

46        3. As an alternative to the procedure described in subsection 2 of this  
 47 section, the governing body of a city or county may create a neighborhood  
 48 improvement district when a proper petition has been signed by the owners of  
 49 record of at least two-thirds by area of all real property located within such  
 50 proposed district. Each owner of record of real property located in the proposed  
 51 district is allowed one signature. Any person, corporation, or limited liability  
 52 partnership owning more than one parcel of land located in such proposed district  
 53 shall be allowed only one signature on such petition. The petition, in order to  
 54 become effective, shall be filed with the city clerk or county clerk. A proper  
 55 petition for the creation of a neighborhood improvement district shall set forth

56 the project name for the proposed improvement, the general nature of the  
57 proposed improvement, the estimated cost of such improvement, the boundaries  
58 of the proposed neighborhood improvement district to be assessed, the proposed  
59 method or methods of assessment of real property within the district, including  
60 any provision for the annual assessment of maintenance costs of the improvement  
61 in each year during the term of the bonds issued for the original improvement  
62 and after such bonds are paid in full, a notice that the names of the signers may  
63 not be withdrawn later than seven days after the petition is filed with the city  
64 clerk or county clerk, and a notice that the final cost of such improvement  
65 assessed against real property within the district and the amount of general  
66 obligation bonds issued therefor shall not exceed the estimated cost of such  
67 improvement, as stated in such petition, by more than twenty-five percent, and  
68 that the annual assessment for maintenance costs of the improvements shall not  
69 exceed the estimated annual maintenance cost, as stated in such petition, by  
70 more than twenty-five percent.

71 4. Upon receiving the requisite voter approval at an election or upon the  
72 filing of a proper petition with the city clerk or county clerk, the governing body  
73 may by resolution or ordinance determine the advisability of the improvement  
74 and may order that the district be established and that preliminary plans and  
75 specifications for the improvement be made. Such resolution or ordinance shall  
76 state and make findings as to the project name for the proposed improvement, the  
77 nature of the improvement, the estimated cost of such improvement, the  
78 boundaries of the neighborhood improvement district to be assessed, the proposed  
79 method or methods of assessment of real property within the district, including  
80 any provision for the annual assessment of maintenance costs of the improvement  
81 in each year after the bonds issued for the original improvement are paid in full,  
82 and shall also state that the final cost of such improvement assessed against the  
83 real property within the neighborhood improvement district and the amount of  
84 general obligation bonds issued therefor shall not, without a new election or  
85 petition, exceed the estimated cost of such improvement by more than twenty-five  
86 percent.

87 5. The boundaries of the proposed district shall be described by metes and  
88 bounds, streets or other sufficiently specific description. The area of the  
89 neighborhood improvement district finally determined by the governing body of  
90 the city or county to be assessed may be less than, but shall not exceed, the total  
91 area comprising such district.

92 6. In any neighborhood improvement district organized prior to August

93 28, 1994, an assessment may be levied and collected after the original period  
94 approved for assessment of property within the district has expired, with the  
95 proceeds thereof used solely for maintenance of the improvement, if the residents  
96 of the neighborhood improvement district either vote to assess real property  
97 within the district for the maintenance costs in the manner prescribed in  
98 subsection 2 of this section or if the owners of two-thirds of the area of all real  
99 property located within the district sign a petition for such purpose in the same  
100 manner as prescribed in subsection 3 of this section.

101 **7. Prior to any assessment hereafter being levied against any**  
102 **real property within any neighborhood improvement district, and prior**  
103 **to any lien enforceable under either chapter 140 or 141 being imposed**  
104 **after August 28, 2013 against any real property within a neighborhood**  
105 **improvement district, the clerk of the governing body establishing the**  
106 **neighborhood improvement district shall cause to be recorded with the**  
107 **recorder of deeds for the county in which any portion of the**  
108 **neighborhood improvement district is located, a document conforming**  
109 **to the provisions of sections 59.310 and 59.313, and which shall contain**  
110 **at least the following information:**

111 **(1) Each owner of record of real property located within the**  
112 **neighborhood improvement district at the time of recording, who shall**  
113 **be identified in the document as grantors and indexed by the recorder**  
114 **pursuant to section 59.440;**

115 **(2) The governing body establishing the neighborhood**  
116 **improvement district and the title of any official or agency responsible**  
117 **for collecting or enforcing any assessments, who shall be identified in**  
118 **the document as grantees and so indexed by the recorder pursuant to**  
119 **section 59.440;**

120 **(3) The legal description of the property within the**  
121 **neighborhood improvement district which may either be the metes and**  
122 **bounds description authorized in subsection 5 of this section or the**  
123 **legal description of each lot or parcel within the neighborhood**  
124 **improvement district; and**

125 **(4) The identifying number of the resolution or ordinance**  
126 **creating the neighborhood improvement district, or a copy of such**  
127 **resolution or ordinance.**

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