

SECOND REGULAR SESSION

SENATE BILL NO. 557

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR NASHEED.

Pre-filed December 1, 2013, and ordered printed.

TERRY L. SPIELER, Secretary.

4559S.011

AN ACT

To repeal sections 67.1421, 67.1461, 67.1531, and 67.1541, RSMo, and to enact in lieu thereof four new sections relating to community improvement districts.

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

Section A. Sections 67.1421, 67.1461, 67.1531, and 67.1541, RSMo, are
2 repealed and four new sections enacted in lieu thereof, to be known as sections
3 67.1421, 67.1461, 67.1531, and 67.1541, to read as follows:

67.1421. 1. Upon receipt of a proper petition filed with its municipal
2 clerk, the governing body of the municipality in which the proposed district is
3 located shall hold a public hearing in accordance with section 67.1431 and may
4 adopt an ordinance to establish the proposed district.

5 2. A petition is proper if, based on the tax records of the county clerk, or
6 the collector of revenue if the district is located in a city not within a county, as
7 of the time of filing the petition with the municipal clerk, it meets the following
8 requirements:

9 (1) It has been signed by property owners collectively owning more than
10 fifty percent by assessed value of the real property within the boundaries of the
11 proposed district;

12 (2) It has been signed by more than fifty percent per capita of all owners
13 of real property within the boundaries of the proposed district; and

14 (3) It contains the following information:

15 (a) The legal description of the proposed district, including a map
16 illustrating the district boundaries;

17 (b) The name of the proposed district;

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

18 (c) A notice that the signatures of the signers may not be withdrawn later
19 than seven days after the petition is filed with the municipal clerk;

20 (d) A five-year plan stating a description of the purposes of the proposed
21 district, the services it will provide, the improvements it will make and an
22 estimate of costs of these services and improvements to be incurred;

23 (e) A statement as to whether the district will be a political subdivision
24 or a not-for-profit corporation and if it is to be a not-for-profit corporation, the
25 name of the not-for-profit corporation;

26 (f) If the district is to be a political subdivision, a statement as to whether
27 the district will be governed by a board elected by the district or whether the
28 board will be appointed by the municipality, and, if the board is to be elected by
29 the district, the names and terms of the initial board may be stated;

30 (g) If the district is to be a political subdivision, the number of directors
31 to serve on the board;

32 (h) The total assessed value of all real property within the proposed
33 district;

34 (i) A statement as to whether the petitioners are seeking a determination
35 that the proposed district, or any legally described portion thereof, is a blighted
36 area;

37 (j) The proposed length of time for the existence of the district;

38 (k) The maximum rates of real property taxes[,] and[,] business license
39 taxes [in the county seat of a county of the first classification without a charter
40 form of government containing a population of at least two hundred thousand,]
41 that may be submitted to the qualified voters for approval;

42 (l) The maximum rates of special assessments and respective methods of
43 assessment that may be proposed by petition;

44 (m) The limitations, if any, on the borrowing capacity of the district;

45 (n) The limitations, if any, on the revenue generation of the district;

46 (o) Other limitations, if any, on the powers of the district;

47 (p) A request that the district be established; and

48 (q) Any other items the petitioners deem appropriate;

49 (4) The signature block for each real property owner signing the petition
50 shall be in substantially the following form and contain the following information:

51 Name of owner:

52 Owner's telephone number and mailing address:

53 If signer is different from owner:

54 Name of signer:

55 State basis of legal authority to sign:

56 Signer's telephone number and mailing address:

57 If the owner is an individual, state if owner is

58 single or married:

59 If owner is not an individual, state what type of entity:

60 Map and parcel number and assessed value of each tract of real property within

61 the proposed district owned:

62 By executing this petition, the undersigned represents and warrants that he or

63 she is authorized to execute this petition on behalf of the property owner named

64 immediately above

65

66 Signature of person signing for owner Date

67 STATE OF MISSOURI)

68) ss.

69 COUNTY OF)

70 Before me personally appeared, to me personally known

71 to be the individual described in and who executed the foregoing instrument.

72 WITNESS my hand and official seal this day of

73 (month), (year).

74

75 Notary Public

76 My Commission Expires:; and

77 (5) Alternatively, the governing body of any home rule city with more than

78 four hundred thousand inhabitants and located in more than one county may file

79 a petition to initiate the process to establish a district in the portion of the city

80 located in any county of the first classification with more than two hundred

81 thousand but fewer than two hundred sixty thousand inhabitants containing the

82 information required in subdivision (3) of this subsection; provided that the only

83 funding methods for the services and improvements will be a real property tax.

84 3. Upon receipt of a petition the municipal clerk shall, within a reasonable

85 time not to exceed ninety days after receipt of the petition, review and determine

86 whether the petition substantially complies with the requirements of subsection

87 2 of this section. In the event the municipal clerk receives a petition which does

88 not meet the requirements of subsection 2 of this section, the municipal clerk

89 shall, within a reasonable time, return the petition to the submitting party by

90 hand delivery, first class mail, postage prepaid or other efficient means of return
91 and shall specify which requirements have not been met.

92 4. After the close of the public hearing required pursuant to subsection
93 1 of this section, the governing body of the municipality may adopt an ordinance
94 approving the petition and establishing a district as set forth in the petition and
95 may determine, if requested in the petition, whether the district, or any legally
96 described portion thereof, constitutes a blighted area. If the petition was filed by
97 the governing body of a municipality pursuant to subdivision (5) of subsection 2
98 of this section, after the close of the public hearing required pursuant to
99 subsection 1 of this section, the petition may be approved by the governing body
100 and an election shall be called pursuant to section 67.1422.

101 5. Amendments to a petition may be made which do not change the
102 proposed boundaries of the proposed district if an amended petition meeting the
103 requirements of subsection 2 of this section is filed with the municipal clerk at
104 the following times and the following requirements have been met:

105 (1) At any time prior to the close of the public hearing required pursuant
106 to subsection 1 of this section; provided that, notice of the contents of the
107 amended petition is given at the public hearing;

108 (2) At any time after the public hearing and prior to the adoption of an
109 ordinance establishing the proposed district; provided that, notice of the
110 amendments to the petition is given by publishing the notice in a newspaper of
111 general circulation within the municipality and by sending the notice via
112 registered certified United States mail with a return receipt attached to the
113 address of record of each owner of record of real property within the boundaries
114 of the proposed district per the tax records of the county clerk, or the collector of
115 revenue if the district is located in a city not within a county. Such notice shall
116 be published and mailed not less than ten days prior to the adoption of the
117 ordinance establishing the district;

118 (3) At any time after the adoption of any ordinance establishing the
119 district a public hearing on the amended petition is held and notice of the public
120 hearing is given in the manner provided in section 67.1431 and the governing
121 body of the municipality in which the district is located adopts an ordinance
122 approving the amended petition after the public hearing is held.

123 6. Upon the creation of a district, the municipal clerk shall report in
124 writing the creation of such district to the Missouri department of economic
125 development.

67.1461. 1. Each district shall have all the powers, except to the extent
2 any such power has been limited by the petition approved by the governing body
3 of the municipality to establish the district, necessary to carry out and effectuate
4 the purposes and provisions of sections 67.1401 to 67.1571 including, but not
5 limited to, the following:

6 (1) To adopt, amend, and repeal bylaws, not inconsistent with sections
7 67.1401 to 67.1571, necessary or convenient to carry out the provisions of sections
8 67.1401 to 67.1571;

9 (2) To sue and be sued;

10 (3) To make and enter into contracts and other instruments, with public
11 and private entities, necessary or convenient to exercise its powers and carry out
12 its duties pursuant to sections 67.1401 to 67.1571;

13 (4) To accept grants, guarantees and donations of property, labor, services,
14 or other things of value from any public or private source;

15 (5) To employ or contract for such managerial, engineering, legal,
16 technical, clerical, accounting, or other assistance as it deems advisable;

17 (6) To acquire by purchase, lease, gift, grant, bequest, devise, or
18 otherwise, any real property within its boundaries, personal property, or any
19 interest in such property;

20 (7) To sell, lease, exchange, transfer, assign, mortgage, pledge,
21 hypothecate, or otherwise encumber or dispose of any real or personal property
22 or any interest in such property;

23 (8) To levy and collect special assessments and taxes as provided in
24 sections 67.1401 to 67.1571. However, no such assessments or taxes shall be
25 levied on any property exempt from taxation pursuant to subdivision (5) of section
26 137.100. Those exempt pursuant to subdivision (5) of section 137.100 may
27 voluntarily participate in the provisions of sections 67.1401 to 67.1571;

28 (9) If the district is a political subdivision, to levy real property taxes and
29 business license taxes [in the county seat of a county of the first classification
30 containing a population of at least two hundred thousand], as provided in
31 sections 67.1401 to 67.1571. However, no such assessments or taxes shall be
32 levied on any property exempt from taxation pursuant to subdivisions (2) and (5)
33 of section 137.100. Those exempt pursuant to subdivisions (2) and (5) of section
34 137.100 may voluntarily participate in the provisions of sections 67.1401 to
35 67.1571;

36 (10) If the district is a political subdivision, to levy sales taxes pursuant

37 to sections 67.1401 to 67.1571;

38 (11) To fix, charge, and collect fees, rents, and other charges for use of any
39 of the following:

40 (a) The district's real property, except for public rights-of-way for utilities;

41 (b) The district's personal property, except in a city not within a county;
42 or

43 (c) Any of the district's interests in such real or personal property, except
44 for public rights-of-way for utilities;

45 (12) To borrow money from any public or private source and issue
46 obligations and provide security for the repayment of the same as provided in
47 sections 67.1401 to 67.1571;

48 (13) To loan money as provided in sections 67.1401 to 67.1571;

49 (14) To make expenditures, create reserve funds, and use its revenues as
50 necessary to carry out its powers or duties and the provisions and purposes of
51 sections 67.1401 to 67.1571;

52 (15) To enter into one or more agreements with the municipality for the
53 purpose of abating any public nuisance within the boundaries of the district
54 including, but not limited to, the stabilization, repair or maintenance or
55 demolition and removal of buildings or structures, provided that the municipality
56 has declared the existence of a public nuisance;

57 (16) Within its boundaries, to provide assistance to or to construct,
58 reconstruct, install, repair, maintain, and equip any of the following public
59 improvements:

60 (a) Pedestrian or shopping malls and plazas;

61 (b) Parks, lawns, trees, and any other landscape;

62 (c) Convention centers, arenas, aquariums, aviaries, and meeting
63 facilities;

64 (d) Sidewalks, streets, alleys, bridges, ramps, tunnels, overpasses and
65 underpasses, traffic signs and signals, utilities, drainage, water, storm and sewer
66 systems, and other site improvements;

67 (e) Parking lots, garages, or other facilities;

68 (f) Lakes, dams, and waterways;

69 (g) Streetscape, lighting, benches or other seating furniture, trash
70 receptacles, marquees, awnings, canopies, walls, and barriers;

71 (h) Telephone and information booths, bus stop and other shelters, rest
72 rooms, and kiosks;

- 73 (i) Paintings, murals, display cases, sculptures, and fountains;
74 (j) Music, news, and child-care facilities; and
75 (k) Any other useful, necessary, or desired improvement;
- 76 (17) To dedicate to the municipality, with the municipality's consent,
77 streets, sidewalks, parks, and other real property and improvements located
78 within its boundaries for public use;
- 79 (18) Within its boundaries and with the municipality's consent, to prohibit
80 or restrict vehicular and pedestrian traffic and vendors on streets, alleys, malls,
81 bridges, ramps, sidewalks, and tunnels and to provide the means for access by
82 emergency vehicles to or in such areas;
- 83 (19) Within its boundaries, to operate or to contract for the provision of
84 music, news, child-care, or parking facilities, and buses, minibuses, or other
85 modes of transportation;
- 86 (20) Within its boundaries, to lease space for sidewalk café tables and
87 chairs;
- 88 (21) Within its boundaries, to provide or contract for the provision of
89 security personnel, equipment, or facilities for the protection of property and
90 persons;
- 91 (22) Within its boundaries, to provide or contract for cleaning,
92 maintenance, and other services to public and private property;
- 93 (23) To produce and promote any tourism, recreational or cultural activity
94 or special event in the district by, but not limited to, advertising, decoration of
95 any public place in the district, promotion of such activity and special events, and
96 furnishing music in any public place;
- 97 (24) To support business activity and economic development in the district
98 including, but not limited to, the promotion of business activity, development and
99 retention, and the recruitment of developers and businesses;
- 100 (25) To provide or support training programs for employees of businesses
101 within the district;
- 102 (26) To provide refuse collection and disposal services within the district;
- 103 (27) To contract for or conduct economic, planning, marketing or other
104 studies;
- 105 (28) To repair, restore, or maintain any abandoned cemetery on public or
106 private land within the district; and
- 107 (29) To carry out any other powers set forth in sections 67.1401 to
108 67.1571.

109 2. Each district which is located in a blighted area or which includes a
110 blighted area shall have the following additional powers:

111 (1) Within its blighted area, to contract with any private property owner
112 to demolish and remove, renovate, reconstruct, or rehabilitate any building or
113 structure owned by such private property owner; and

114 (2) To expend its revenues or loan its revenues pursuant to a contract
115 entered into pursuant to this subsection, provided that the governing body of the
116 municipality has determined that the action to be taken pursuant to such
117 contract is reasonably anticipated to remediate the blighting conditions and will
118 serve a public purpose.

119 3. Each district shall annually reimburse the municipality for the
120 reasonable and actual expenses incurred by the municipality to establish such
121 district and review annual budgets and reports of such district required to be
122 submitted to the municipality; provided that, such annual reimbursement shall
123 not exceed one and one-half percent of the revenues collected by the district in
124 such year.

125 4. Nothing in sections 67.1401 to 67.1571 shall be construed to delegate
126 to any district any sovereign right of municipalities to promote order, safety,
127 health, morals, and general welfare of the public, except those such police powers,
128 if any, expressly delegated pursuant to sections 67.1401 to 67.1571.

129 5. The governing body of the municipality establishing the district shall
130 not decrease the level of publicly funded services in the district existing prior to
131 the creation of the district or transfer the financial burden of providing the
132 services to the district unless the services at the same time are decreased
133 throughout the municipality, nor shall the governing body discriminate in the
134 provision of the publicly funded services between areas included in such district
135 and areas not so included.

67.1531. 1. The district may levy by resolution a tax upon real property
2 or on any business located within the boundaries of the district; provided
3 however, no such resolution shall be final nor shall it take effect until the
4 qualified voters approve, by mail-in ballot, the tax which the resolution seeks to
5 impose. If a majority of the votes cast by the qualified voters voting on the
6 proposed tax are in favor of the tax, then the resolution and any amendments
7 thereto shall be in effect. If a majority of the votes cast by the qualified voters
8 voting are opposed to the tax, then the resolution seeking to levy the tax shall be
9 deemed to be null and void.

10 2. The district may levy a real property tax rate lower than the tax rate
11 ceiling approved by the qualified voters pursuant to subsection 1 of this section
12 and may increase that lowered tax rate to a level not exceeding the tax rate
13 ceiling without approval of the qualified voters.

14 3. The ballot shall be substantially in the following form:

15 (1) Shall the (insert name of district) Community Improvement
16 District ("District") impose a real property tax upon (all real property) within the
17 district at a rate of not more than (insert amount) dollars per
18 hundred dollars assessed valuation for a period of (insert number)
19 years from the date on which such tax is first imposed for the purpose of
20 providing revenue for (insert general description of purpose) in the
21 district?

22 YES NO; [and] or

23 (2) [In the county seat of a county of the first classification without a
24 charter form of government containing a population of at least two hundred
25 thousand:]

26 Shall the (insert name of district) Community Improvement
27 District ("District") impose a real property tax within the district at a rate of not
28 more than (insert amount) dollars per hundred dollars of assessed
29 valuation and/or a business license tax in an amount not to exceed
30 upon all persons who are engaged in the business of for a period of
31 (insert number) years from the date on which such tax is first imposed
32 for the purpose of providing revenue for (insert general description
33 of purpose) in the district?

34 YES NO

35 If you are in favor of the question, place an "X" in the box opposite "YES". If you
36 are opposed to the question, place an "X" in the box opposite "NO".

37 4. No district levying a real property tax or a business license tax
38 pursuant to this section may repeal or amend such real property tax or business
39 license tax or lower the tax rate of such tax if such repeal, amendment or lower
40 rate will impair the district's ability to repay any liabilities which it has incurred,
41 money which it has borrowed or obligations that it has issued to finance any
42 improvements or services rendered within the district.

2 67.1541. 1. The county collector of each county in which the district is
3 located, or the collector for the city in which the district is located if the district

4 is located in a city not within a county, shall collect the real property taxes and
5 special assessments made upon all real property within that county and district,
6 in the same manner as other real property taxes are collected. If the special
7 assessment is based on something other than the assessed value of real property,
8 the district shall provide the information on which such special assessment is
9 based for all applicable real property. **The city or county official generally**
10 **responsible for collecting business license taxes in the city or county**
11 **in which the district is located, or such other official or entity as may**
12 **be identified in the petition approved by the governing body of the**
13 **municipality, shall collect any business license tax levied under**
14 **sections 67.1401 to 67.1571 and the district shall provide the**
15 **information on which such business license tax is based.**

16 2. Every county or municipal collector and treasurer having collected or
17 received district assessments or taxes shall, on or before the fifteenth day of each
18 month and after deducting the reasonable and actual cost of such collection but
19 not to exceed one percent of the total amount collected, remit to the treasurer of
20 such district the amount collected or received by him or her prior to the first day
21 of such month. Upon receipt of such money, the district treasurer shall execute
22 a receipt therefor, which he or she shall forward or deliver to the county collector
23 or city treasurer who collected such money. The district treasurer shall deposit
24 such sums into the district treasury, credited to the appropriate fund or
25 account. The county or municipal collector or treasurer, and district treasurer
26 shall make final settlement of the district account and costs owing, not less than
27 once each year, if necessary.

28 **3. In addition to other penalties and forfeitures provided under**
29 **law, no business license shall be issued to any business within the**
30 **district until any business license tax levied under sections 67.1401 to**
31 **67.1571 and any penalties for delinquent payment or filing of any**
32 **required statements, applications, or returns shall be paid in**
33 **full. Additionally, any business license issued shall, after ten days'**
34 **notice, be revoked in the event the licensee shall be in default for a**
35 **period of sixty days in the payment of any business license tax levied**
36 **under sections 67.1401 to 67.1571. If the official or entity collecting**
37 **business license taxes under this section does not issue business**
38 **licenses, then the official or entity collecting business license taxes**
39 **shall provide to the issuer of business licenses information as to the**

40 **due payment of all business license taxes levied under sections 67.1401**
41 **to 67.1571, penalties and forfeitures for all businesses within the**
42 **district.**

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