SECOND REGULAR SESSION

HOUSE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 869

98TH GENERAL ASSEMBLY

4489H.02C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 67.1471, 70.210, 99.805, 99.820, 99.825, 99.845, and 347.048, RSMo, and to enact in lieu thereof seven new sections relating to political subdivisions.

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

Section A. Sections 67.1471, 70.210, 99.805, 99.820, 99.825, 99.845, and 347.048,

- 2 RSMo, are repealed and seven new sections enacted in lieu thereof, to be known as sections
- 3 67.1471, 70.210, 99.805, 99.820, 99.825, 99.845, and 347.048, to read as follows:
- 67.1471. 1. The fiscal year for the district shall be the same as the fiscal year of the municipality.
- 2. No earlier than one hundred eighty days and no later than ninety days prior to the first
- 4 day of each fiscal year, the board shall submit to the governing body of the city a proposed
- 5 annual budget, setting forth expected expenditures, revenues, and rates of assessments and taxes,
- if any, for such fiscal year. The governing body may review and comment to the board on this
- 7 proposed budget, but if such comments are given, the governing body of the municipality shall
- 8 provide such written comments to the board no later than sixty days prior to the first day of the
- relevant fiscal year; such comments shall not constitute requirements but shall only be
- 10 recommendations.
- 3. The board shall hold an annual meeting and adopt an annual budget no later than thirty
- 12 days prior to the first day of each fiscal year.
- 4. Within one hundred twenty days after the end of each fiscal year, the district shall
- 14 submit a report to the municipal clerk and the Missouri department of economic development
- 15 stating the services provided, revenues collected and expenditures made by the district during
- 16 such fiscal year, and copies of written resolutions approved by the board during the fiscal year.

The municipal clerk shall retain this report as part of the official records of the municipality and shall also cause this report to be spread upon the records of the governing body.

- 5. The state auditor may audit a district in the same manner as the auditor may audit any agency of the state.
 - 70.210. As used in sections 70.210 to 70.320, the following terms mean:
- 2 (1) "Governing body", the board, body or persons in which the powers of a municipality 3 or political subdivision are vested;
 - (2) "Municipality", municipal corporations, political corporations, and other public corporations and agencies authorized to exercise governmental functions;
 - (3) "Political subdivision", counties, townships, cities, towns, villages, school, county library, city library, city-county library, road, drainage, sewer, levee and fire districts, soil and water conservation districts, watershed subdistricts, county hospitals, and any board of control of an art museum, **board created under sections 205.968 to 205.973**, and any other public subdivision or public corporation having the power to tax.
 - 99.805. As used in sections 99.800 to 99.865, unless the context clearly requires otherwise, the following terms shall mean:
 - (1) "Blighted area", an area which, by reason of the predominance of defective or inadequate street layout, [unsanitary] **insanitary** or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use;
 - (2) "Collecting officer", the officer of the municipality responsible for receiving and processing payments in lieu of taxes or economic activity taxes from taxpayers or the department of revenue;
 - (3) "Conservation area", any improved area within the boundaries of a redevelopment area located within the territorial limits of a municipality in which fifty percent or more of the structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted area but is detrimental to the public health, safety, morals, or welfare and may become a blighted area because of any one or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of community planning. A conservation area shall meet at least three of the factors provided in this subdivision for projects approved on or after December 23, 1997;

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

- (5) "Economic development area", any area or portion of an area located within the territorial limits of a municipality, which does not meet the requirements of subdivisions (1) and (3) of this section, and in which the governing body of the municipality finds that redevelopment will not be solely used for development of commercial businesses which unfairly compete in the local economy and is in the public interest because it will:
- (a) Discourage commerce, industry or manufacturing from moving their operations to another state; or
 - (b) Result in increased employment in the municipality; or
 - (c) Result in preservation or enhancement of the tax base of the municipality;
- (6) "Gambling establishment", an excursion gambling boat as defined in section 313.800 and any related business facility including any real property improvements which are directly and solely related to such business facility, whose sole purpose is to provide goods or services to an excursion gambling boat and whose majority ownership interest is held by a person licensed to conduct gambling games on an excursion gambling boat or licensed to operate an excursion gambling boat as provided in sections 313.800 to 313.850. This subdivision shall be applicable only to a redevelopment area designated by ordinance adopted after December 23, 1997;
- (7) "Greenfield area", any vacant, unimproved, or agricultural property that is located wholly outside the incorporated limits of a city, town, or village, or that is substantially surrounded by contiguous properties with agricultural zoning classifications or uses unless said property was annexed into the incorporated limits of a city, town, or village ten years prior to the adoption of the ordinance approving the redevelopment plan for such greenfield area;

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

- (9) "Obligations", bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued by a municipality to carry out a redevelopment project or to refund outstanding obligations;
- (10) "Ordinance", an ordinance enacted by the governing body of a city, town, or village or a county or an order of the governing body of a county whose governing body is not authorized to enact ordinances;
- (11) "Payment in lieu of taxes", those estimated revenues from real property in the area selected for a redevelopment project, which revenues according to the redevelopment project or plan are to be used for a private use, which taxing districts would have received had a municipality not adopted tax increment allocation financing, and which would result from levies made after the time of the adoption of tax increment allocation financing during the time the current equalized value of real property in the area selected for the redevelopment project exceeds the total initial equalized value of real property in such area until the designation is terminated pursuant to subsection 2 of section 99.850;
- (12) "Redevelopment area", an area designated by a municipality, in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as a blighted area, a conservation area, an economic development area, an enterprise zone pursuant to sections 135.200 to 135.256, or a combination thereof, which area includes only those parcels of real property directly and substantially benefitted by the proposed redevelopment project;
- (13) "Redevelopment plan", the comprehensive program of a municipality for redevelopment intended by the payment of redevelopment costs to reduce or eliminate those conditions, the existence of which qualified the redevelopment area as a blighted area, conservation area, economic development area, or combination thereof, and to thereby enhance the tax bases of the taxing districts which extend into the redevelopment area. Each redevelopment plan shall conform to the requirements of section 99.810;
- (14) "Redevelopment project", any development project within a redevelopment area in furtherance of the objectives of the redevelopment plan; any such redevelopment project shall include a legal description of the area selected for the redevelopment project;
- (15) "Redevelopment project costs" include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan or redevelopment project, as applicable. Such costs include, but are not limited to, the following:

- 95 (a) Costs of studies, surveys, plans, and specifications;
- 96 (b) Professional service costs, including, but not limited to, architectural, engineering, 97 legal, marketing, financial, planning or special services. Except the reasonable costs incurred 98 by the commission established in section 99.820 for the administration of sections 99.800 to 99.865, such costs shall be allowed only as an initial expense which, to be recoverable, shall be 100 included in the costs of a redevelopment plan or project;
 - (c) Property assembly costs, including, but not limited to[,]:
- **a.** Acquisition of land and other property, real or personal, or rights or interests therein[,] 103;
 - **b.** Demolition of buildings[,]; and

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- **c.** The clearing and grading of land;
- 106 (d) Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings 107 and fixtures;
 - (e) Initial costs for an economic development area;
- (f) Costs of construction of public works or improvements;
 - (g) Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include payment of interest on any obligations issued pursuant to sections 99.800 to 99.865 accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not more than eighteen months thereafter, and including reasonable reserves related thereto;
 - (h) All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs;
 - (i) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or are required to be paid by federal or state law;
 - (j) Payments in lieu of taxes;
 - (16) "Special allocation fund", the fund of a municipality or its commission which contains at least two separate segregated accounts for each redevelopment plan, maintained by the treasurer of the municipality or the treasurer of the commission into which payments in lieu of taxes are deposited in one account, and economic activity taxes and other revenues are deposited in the other account;
- 127 (17) "Taxing districts", any political subdivision of this state having the power to levy 128 taxes:

129 (18) "Taxing districts' capital costs", those costs of taxing districts for capital 130 improvements that are found by the municipal governing bodies to be necessary and to directly 131 result from the redevelopment project; and

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

99.820. 1. A municipality may:

- (1) By ordinance introduced in the governing body of the municipality within fourteen to ninety days from the completion of the hearing required in section 99.825, approve redevelopment plans and redevelopment projects, and designate redevelopment project areas pursuant to the notice and hearing requirements of sections 99.800 to 99.865. No redevelopment project shall be approved unless a redevelopment plan has been approved and a redevelopment area has been designated prior to or concurrently with the approval of such redevelopment project and the area selected for the redevelopment project shall include only those parcels of real property and improvements thereon directly and substantially benefitted by the proposed redevelopment project improvements;
- (2) Make and enter into all contracts necessary or incidental to the implementation and furtherance of its redevelopment plan or project;
- (3) Pursuant to a redevelopment plan, subject to any constitutional limitations, acquire by purchase, donation, lease or, as part of a redevelopment project, eminent domain, own, convey, lease, mortgage, or dispose of land and other property, real or personal, or rights or interests therein, and grant or acquire licenses, easements and options with respect thereto, all in the manner and at such price the municipality or the commission determines is reasonably necessary to achieve the objectives of the redevelopment plan. No conveyance, lease, mortgage, disposition of land or other property, acquired by the municipality, or agreement relating to the development of the property shall be made except upon the adoption of an ordinance by the governing body of the municipality. Each municipality or its commission shall establish written procedures relating to bids and proposals for implementation of the redevelopment projects. Furthermore, no conveyance, lease, mortgage, or other disposition of land or agreement relating to the development of property shall be made without making public disclosure of the terms of the disposition and all bids and proposals made in response to the municipality's request. Such procedures for obtaining such bids and proposals shall provide reasonable opportunity for any person to submit alternative proposals or bids;
- (4) Within a redevelopment area, clear any area by demolition or removal of existing buildings and structures;
- 30 (5) Within a redevelopment area, renovate, rehabilitate, or construct any structure or 31 building;

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

- (7) Within a redevelopment area, fix, charge, and collect fees, rents, and other charges for the use of any building or property owned or leased by it or any part thereof, or facility therein;
- 38 (8) Accept grants, guarantees, and donations of property, labor, or other things of value 39 from a public or private source for use within a redevelopment area;
 - (9) Acquire and construct public facilities within a redevelopment area;
 - (10) Incur redevelopment costs and issue obligations;
 - (11) Make payment in lieu of taxes, or a portion thereof, to taxing districts;
- 43 (12) Disburse surplus funds from the special allocation fund to taxing districts as 44 follows:
 - (a) Such surplus payments in lieu of taxes shall be distributed to taxing districts within the redevelopment area which impose ad valorem taxes on a basis that is proportional to the current collections of revenue which each taxing district receives from real property in the redevelopment area;
 - (b) Surplus economic activity taxes shall be distributed to taxing districts in the redevelopment area which impose economic activity taxes, on a basis that is proportional to the amount of such economic activity taxes the taxing district would have received from the redevelopment area had tax increment financing not been adopted;
 - (c) Surplus revenues, other than payments in lieu of taxes and economic activity taxes, deposited in the special allocation fund, shall be distributed on a basis that is proportional to the total receipt of such other revenues in such account in the year prior to disbursement;
 - (13) If any member of the governing body of the municipality, a member of a commission established pursuant to subsection 2 or 3 of this section, or an employee or consultant of the municipality, involved in the planning and preparation of a redevelopment plan, or redevelopment project for a redevelopment area or proposed redevelopment area, owns or controls an interest, direct or indirect, in any property included in any redevelopment area, or proposed redevelopment area, which property is designated to be acquired or improved pursuant to a redevelopment project, he or she shall disclose the same in writing to the clerk of the municipality, and shall also so disclose the dates, terms, and conditions of any disposition of any such interest, which disclosures shall be acknowledged by the governing body of the municipality. If an individual holds such an interest, then that individual shall refrain from any further official involvement in regard to such redevelopment plan, redevelopment project or redevelopment area,

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from voting on any matter pertaining to such redevelopment plan, redevelopment project or redevelopment area, or communicating with other members concerning any matter pertaining 70 to that redevelopment plan, redevelopment project or redevelopment area. Furthermore, no such member or employee shall acquire any interest, direct or indirect, in any property in a redevelopment area or proposed redevelopment area after either (a) such individual obtains knowledge of such plan or project, or (b) first public notice of such plan, project or area pursuant to section 99.830, whichever first occurs;

- (14) Charge as a redevelopment cost the reasonable costs incurred by its clerk or other official in administering the redevelopment project. The charge for the clerk's or other official's costs shall be determined by the municipality based on a recommendation from the commission, created pursuant to this section.
- 2. Prior to adoption of an ordinance approving the designation of a redevelopment area or approving a redevelopment plan or redevelopment project, the municipality shall create a commission of nine persons if the municipality is a county or a city not within a county and not a first class county with a charter form of government with a population in excess of nine hundred thousand, and eleven persons if the municipality is not a county and not in a first class county with a charter form of government having a population of more than nine hundred thousand, and twelve persons if the municipality is located in or is a first class county with a charter form of government having a population of more than nine hundred thousand, to be appointed as follows:
- (1) In all municipalities two members shall be appointed by the school boards whose districts are included within the redevelopment plan or redevelopment area. Such members shall be appointed in any manner agreed upon by the affected districts;
- (2) In all municipalities one member shall be appointed, in any manner agreed upon by the affected districts, to represent all other districts levying ad valorem taxes within the area selected for a redevelopment project or the redevelopment area, excluding representatives of the governing body of the municipality;
- (3) In all municipalities six members shall be appointed by the chief elected officer of the municipality, with the consent of the majority of the governing body of the municipality;
- (4) In all municipalities which are not counties and not in a first class county with a charter form of government having a population in excess of nine hundred thousand, two members shall be appointed by the county of such municipality in the same manner as members are appointed in subdivision (3) of this subsection;
- (5) In a municipality which is a county with a charter form of government having a population in excess of nine hundred thousand, three members shall be appointed by the cities

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in the county which have tax increment financing districts in a manner in which the cities shall agree;

- (6) In a municipality which is located in the first class county with a charter form of government having a population in excess of nine hundred thousand, three members shall be appointed by the county of such municipality in the same manner as members are appointed in subdivision (3) of this subsection;
- (7) At the option of the members appointed by the municipality, the members who are appointed by the school boards and other taxing districts may serve on the commission for a term to coincide with the length of time a redevelopment project, redevelopment plan or designation of a redevelopment area is considered for approval by the commission, or for a definite term pursuant to this subdivision. If the members representing school districts and other taxing districts are appointed for a term coinciding with the length of time a redevelopment project, plan or area is approved, such term shall terminate upon final approval of the project, plan or designation of the area by the governing body of the municipality. Thereafter the commission shall consist of the six members appointed by the municipality, except that members representing school boards and other taxing districts shall be appointed as provided in this section prior to any amendments to any redevelopment plans, redevelopment projects or designation of a redevelopment area. If any school district or other taxing jurisdiction fails to appoint members of the commission within thirty days of receipt of written notice of a proposed redevelopment plan, redevelopment project or designation of a redevelopment area, the remaining members may proceed to exercise the power of the commission. Of the members first appointed by the municipality, two shall be designated to serve for terms of two years, two shall be designated to serve for a term of three years and two shall be designated to serve for a term of four years from the date of such initial appointments. Thereafter, the members appointed by the municipality shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms in the same manner as were the original appointments. Members appointed by the county executive or presiding commissioner prior to August 28, 2008, shall continue their service on the commission established in subsection 3 of this section without further appointment unless the county executive or presiding commissioner appoints a new member or members.
 - 3. Beginning August 28, 2008:
- (1) In lieu of a commission created under subsection 2 of this section, any city, town, or village in a county with a charter form of government and with more than one million inhabitants, in a county with a charter form of government and with more than two hundred fifty thousand but fewer than three hundred fifty thousand inhabitants, or in a county of the first classification with more than one hundred eighty-five thousand but fewer than two hundred thousand inhabitants shall, prior to adoption of an ordinance approving the designation of a

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redevelopment area or approving a redevelopment plan or redevelopment project, create a commission consisting of twelve persons to be appointed as follows:

- (a) Six members appointed either by the county executive or presiding commissioner; notwithstanding any provision of law to the contrary, no approval by the county's governing body shall be required;
- (b) Three members appointed by the cities, towns, or villages in the county which have tax increment financing districts in a manner in which the chief elected officials of such cities, towns, or villages agree;
- (c) Two members appointed by the school boards whose districts are included in the county in a manner in which the school boards agree; and
- (d) One member to represent all other districts levying ad valorem taxes in the proposed redevelopment area in a manner in which all such districts agree.

No city, town, or village subject to this subsection shall create or maintain a commission under subsection 2 of this section, except as necessary to complete a public hearing for which notice under section 99.830 has been provided prior to August 28, 2008, and to vote or make recommendations relating to redevelopment plans, redevelopment projects, or designation of redevelopment areas, or amendments thereto that were the subject of such public hearing;

(2) Members appointed to the commission created under this subsection, except those six members appointed by either the county executive or presiding commissioner, shall serve on the commission for a term to coincide with the length of time a redevelopment project, redevelopment plan, or designation of a redevelopment area is considered for approval by the commission. The six members appointed by either the county executive or the presiding commissioner shall serve on all such commissions until replaced. The city, town, or village that creates a commission under this subsection shall send notice thereof by certified mail to the county executive or presiding commissioner, to the school districts whose boundaries include any portion of the proposed redevelopment area, and to the other taxing districts whose boundaries include any portion of the proposed redevelopment area. The city, town, or village that creates the commission shall also be solely responsible for notifying all other cities, towns, and villages in the county that have tax increment financing districts and shall exercise all administrative functions of the commission. The school districts receiving notice from the city, town, or village shall be solely responsible for notifying the other school districts within the county of the formation of the commission. If the county, school board, or other taxing district fails to appoint members to the commission within thirty days after the city, town, or village sends the written notice, as provided herein, that it has convened such a commission or within

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thirty days of the expiration of any such member's term, the remaining duly appointed members of the commission may exercise the full powers of the commission.

- 4. (1) Any commission created under this section, subject to approval of the governing body of the municipality, may exercise the powers enumerated in sections 99.800 to 99.865, except final approval of plans, projects and designation of redevelopment areas. The commission shall hold public hearings and provide notice pursuant to sections 99.825 and 99.830.
- (2) Any commission created under subsection 2 of this section shall vote on all proposed redevelopment plans, redevelopment projects and designations of redevelopment areas, and amendments thereto, within thirty days following completion of the hearing on any such plan, project or designation and shall make recommendations to the governing body within ninety days of the hearing referred to in section 99.825 concerning the adoption of or amendment to redevelopment plans and redevelopment projects and the designation of redevelopment areas. The requirements of subsection 2 of this section and this subsection shall not apply to redevelopment projects upon which the required hearings have been duly held prior to August 31, 1991.
- (3) Any commission created under subsection 3 of this section shall, within fifteen days of the receipt of a redevelopment plan meeting the minimum requirements of section 99.810, as determined by counsel to the city, town, or village creating the commission and a request by the applicable city, town, or village for a public hearing, fix a time and place for the public hearing referred to in section 99.825. The public hearing shall be held no later than seventy-five days from the commission's receipt of such redevelopment plan and request for public hearing. The commission shall vote and make recommendations to the governing body of the city, town, or village requesting the public hearing on all proposed redevelopment plans, redevelopment projects, and designations of redevelopment areas, and amendments thereto within thirty days following the completion of the public hearing. A recommendation of approval shall only be deemed to occur if a majority of the commissioners voting on such plan, project, designation, or amendment thereto vote for approval. A tied vote shall be considered a **recommendation in opposition.** If the commission fails to vote within thirty days following the completion of the public hearing referred to in section 99.825 concerning the proposed redevelopment plan, redevelopment project, or designation of redevelopment area, or amendments thereto, such plan, project, designation, or amendment thereto shall be deemed rejected by the commission.
- 5. It shall be the policy of the state that each redevelopment plan or project of a municipality be carried out with full transparency to the public. The records of the tax increment financing commission including, but not limited to, commission votes and

actions, meeting minutes, summaries of witness testimony, data, and reports submitted to the commission shall be retained by the governing body of the municipality that created the commission and shall be made available to the public in accordance with chapter 610.

99.825. 1. Prior to the adoption of an ordinance proposing the designation of a 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 99.820 and notify each taxing district located wholly or partially within the boundaries of the proposed redevelopment area, plan or project. At the public hearing any interested person or affected taxing district may file with the commission written objections to, or comments on, and may be heard orally in respect to, any issues embodied in the notice. The commission shall hear and consider all protests, objections, comments and other evidence presented at the hearing. The hearing may be continued to another date without further notice other than a motion to be entered upon the minutes fixing the time and place of the subsequent hearing; provided, if the 10 commission is created under subsection 3 of section 99.820, the hearing shall not be continued 11 for more than thirty days beyond the date on which it is originally opened unless such longer 12 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 each affected taxing district is given written notice of such changes at least seven days prior to 16 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 without a further hearing, if such changes do not enlarge the exterior boundaries of the 20 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 by publication in a newspaper of general circulation in the area of the proposed redevelopment 24 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 redevelopment area, no ordinance shall be adopted altering the exterior boundaries, affecting the 27 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 redevelopment area. Hearings with regard to a redevelopment project, redevelopment area, or 31 32 redevelopment plan may be held simultaneously.

2. [Effective January 1, 2008,] If, after concluding the hearing required under this section, the commission makes a recommendation under section 99.820 in opposition to a proposed redevelopment plan, redevelopment project, or designation of a redevelopment area, or any amendments thereto, a municipality desiring to approve such project, plan, designation, or amendments shall do so only upon a two-thirds majority vote of the governing body of such municipality. For plans, projects, designations, or amendments approved by a municipality over the recommendation in opposition by the commission formed under subsection 3 of section 99.820, the economic activity taxes and payments in lieu of taxes generated by such plan, project, designation, or amendment shall be restricted to paying only those redevelopment project costs contained in subparagraphs b and c of paragraph (c) of subdivision (15) of section 99.805 per redevelopment project.

- 3. Tax incremental financing projects within an economic development area shall apply to and fund only the following infrastructure projects: highways, roads, streets, bridges, sewers, traffic control systems and devices, water distribution and supply systems, curbing, sidewalks and any other similar public improvements, but in no case shall it include buildings.
- 99.845. 1. A municipality, either at the time a redevelopment project is approved or, in the event a municipality has undertaken acts establishing a redevelopment plan and redevelopment project and has designated a redevelopment area after the passage and approval of sections 99.800 to 99.865 but prior to August 13, 1982, which acts are in conformance with the procedures of sections 99.800 to 99.865, may adopt tax increment allocation financing by passing an ordinance providing that after the total equalized assessed valuation of the taxable real property in a redevelopment project exceeds the certified total initial equalized assessed valuation of the taxable real property in the redevelopment project, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in such redevelopment project by taxing districts and tax rates determined in the manner provided in subsection 2 of section 99.855 each year after the effective date of the ordinance until redevelopment costs have been paid shall be divided as follows:
 - (1) That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid by the county collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing;
 - (2) (a) Payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project and any applicable penalty and interest over and above the initial

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equalized assessed value of each such unit of property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid to the municipal treasurer who shall deposit such payment in lieu of taxes into a special fund called the "Special Allocation Fund" of the municipality for the purpose of paying redevelopment costs and obligations incurred in the payment thereof. Beginning August 28, 2014, if the voters in a taxing district vote to approve an increase in such taxing district's levy rate for ad valorem tax on real property, any additional revenues generated within an existing redevelopment project area that are directly attributable to the newly voter-approved incremental increase in such taxing district's levy rate shall not be considered payments in lieu of taxes subject to deposit into a special allocation fund without the consent of such taxing district. Revenues will be considered directly attributable to the newly voter-approved incremental increase to the extent that they are generated from the difference between the taxing district's actual levy rate currently imposed and the maximum voter-approved levy rate at the time that the redevelopment project was adopted. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the redevelopment project from which they are derived and shall be collected in the same manner as the real property tax, including the assessment of penalties and interest where applicable. The municipality may, in the ordinance, pledge the funds in the special allocation fund for the payment of such costs and obligations and provide for the collection of payments in lieu of taxes, the lien of which may be foreclosed in the same manner as a special assessment lien as provided in section 88.861. No part of the current equalized assessed valuation of each lot, block, tract, or parcel of property in the area selected for the redevelopment project attributable to any increase above the total initial equalized assessed value of such properties shall be used in calculating the general state school aid formula provided for in section 163.031 until such time as all redevelopment costs have been paid as provided for in this section and section 99.850.

- (b) Notwithstanding any provisions of this section to the contrary, for purposes of determining the limitation on indebtedness of local government pursuant to Article VI, Section 26(b) of the Missouri Constitution, the current equalized assessed value of the property in an area selected for redevelopment attributable to the increase above the total initial equalized assessed valuation shall be included in the value of taxable tangible property as shown on the last completed assessment for state or county purposes.
- (c) The county assessor shall include the current assessed value of all property within the taxing district in the aggregate valuation of assessed property entered upon the assessor's book and verified pursuant to section 137.245, and such value shall be utilized for the purpose of the debt limitation on local government pursuant to Article VI, Section 26(b) of the Missouri Constitution;

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

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

3. In addition to the payments in lieu of taxes described in subdivision (2) of subsection 1 of this section, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after August 31, 1991, fifty percent of the total additional revenue from taxes, penalties and interest which are imposed by the municipality or other taxing districts, and which are generated by economic activities within the area of the redevelopment project over the amount of such taxes generated by economic activities within the area of the redevelopment project in the calendar year prior to the adoption of the redevelopment project by ordinance, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to section 70.500, taxes levied for the purpose of public transportation pursuant to section 94.660, taxes imposed on sales pursuant to subsection 2 of section 67.1712

for the purpose of operating and maintaining a metropolitan park and recreation district, licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, any sales tax imposed by a county with a charter form of government and with more than six hundred thousand but fewer than seven hundred thousand inhabitants, for the purpose of sports stadium improvement or levied by such county under section 238.410 for the purpose of the county transit authority operating transportation facilities, or for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after August 28, 2013, taxes imposed on sales under and pursuant to section 67.700 or 650.399 for the purpose of emergency communication systems, shall be allocated to, and paid by the local political subdivision collecting officer to the treasurer or other designated financial officer of the municipality, who shall deposit such funds in a separate segregated account within the special allocation fund. Beginning August 28, 2014, if the voters in a taxing district vote to approve an increase in such taxing district's sales tax or use tax, other than the renewal of an expiring sales or use tax, any additional revenues generated within an existing redevelopment project area that are directly attributable to the newly voter-approved incremental increase in such taxing district's levy rate shall not be considered economic activity taxes subject to deposit into a special allocation fund without the consent of such taxing district.

- 4. Beginning January 1, 1998, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance and which have complied with subsections 4 to 12 of this section, in addition to the payments in lieu of taxes and economic activity taxes described in subsections 1, 2 and 3 of this section, up to fifty percent of the new state revenues, as defined in subsection 8 of this section, estimated for the businesses within the project area and identified by the municipality in the application required by subsection 10 of this section, over and above the amount of such taxes reported by businesses within the project area as identified by the municipality in their application prior to the approval of the redevelopment project by ordinance, while tax increment financing remains in effect, may be available for appropriation by the general assembly as provided in subsection 10 of this section to the department of economic development supplemental tax increment financing fund, from the general revenue fund, for distribution to the treasurer or other designated financial officer of the municipality with approved plans or projects.
- 5. The treasurer or other designated financial officer of the municipality with approved plans or projects shall deposit such funds in a separate segregated account within the special allocation fund established pursuant to section 99.805.
- 6. No transfer from the general revenue fund to the Missouri supplemental tax increment financing fund shall be made unless an appropriation is made from the general revenue fund for that purpose. No municipality shall commit any state revenues prior to an appropriation being

made for that project. For all redevelopment plans or projects adopted or approved after December 23, 1997, appropriations from the new state revenues shall not be distributed from the Missouri supplemental tax increment financing fund into the special allocation fund unless the municipality's redevelopment plan ensures that one hundred percent of payments in lieu of taxes and fifty percent of economic activity taxes generated by the project shall be used for eligible redevelopment project costs while tax increment financing remains in effect. This account shall be separate from the account into which payments in lieu of taxes are deposited, and separate from the account into which economic activity taxes are deposited.

- 7. In order for the redevelopment plan or project to be eligible to receive the revenue described in subsection 4 of this section, the municipality shall comply with the requirements of subsection 10 of this section prior to the time the project or plan is adopted or approved by ordinance. The director of the department of economic development and the commissioner of the office of administration may waive the requirement that the municipality's application be submitted prior to the redevelopment plan's or project's adoption or the redevelopment plan's or project's approval by ordinance.
 - 8. For purposes of this section, "new state revenues" means:
- (1) The incremental increase in the general revenue portion of state sales tax revenues received pursuant to section 144.020, excluding sales taxes that are constitutionally dedicated, taxes deposited to the school district trust fund in accordance with section 144.701, sales and use taxes on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by law. In no event shall the incremental increase include any amounts attributable to retail sales unless the municipality or authority has proven to the Missouri development finance board and the department of economic development and such entities have made a finding that the sales tax increment attributable to retail sales is from new sources which did not exist in the state during the baseline year. The incremental increase in the general revenue portion of state sales tax revenues for an existing or relocated facility shall be the amount that current state sales tax revenue exceeds the state sales tax revenue in the base year as stated in the redevelopment plan as provided in subsection 10 of this section; or
- (2) The state income tax withheld on behalf of new employees by the employer pursuant to section 143.221 at the business located within the project as identified by the municipality. The state income tax withholding allowed by this section shall be the municipality's estimate of the amount of state income tax withheld by the employer within the redevelopment area for new employees who fill new jobs directly created by the tax increment financing project.
 - 9. Subsection 4 of this section shall apply only to the following:
- (1) Blighted areas located in enterprise zones, pursuant to sections 135.200 to 135.256, blighted areas located in federal empowerment zones, or to blighted areas located in central

business districts or urban core areas of cities which districts or urban core areas at the time of approval of the project by ordinance, provided that the enterprise zones, federal empowerment zones or blighted areas contained one or more buildings at least fifty years old; and

- (a) Suffered from generally declining population or property taxes over the twenty-year period immediately preceding the area's designation as a project area by ordinance; or
- (b) Was a historic hotel located in a county of the first classification without a charter form of government with a population according to the most recent federal decennial census in excess of one hundred fifty thousand and containing a portion of a city with a population according to the most recent federal decennial census in excess of three hundred fifty thousand;
- (2) Blighted areas consisting solely of the site of a former automobile manufacturing plant located in any county with a charter form of government and with more than nine hundred fifty thousand inhabitants. For the purposes of this section, "former automobile manufacturing plant" means a redevelopment area containing a minimum of one hundred acres, and such redevelopment area was previously used primarily for the manufacture of automobiles but ceased such manufacturing after the 2007 calendar year; or
- (3) Blighted areas consisting solely of the site of a former insurance company national service center containing a minimum of one hundred acres located in any county with a charter form of government and with more than nine hundred fifty thousand inhabitants.
- 10. The initial appropriation of up to fifty percent of the new state revenues authorized pursuant to subsection 4 of this section shall not be made to or distributed by the department of economic development to a municipality until all of the following conditions have been satisfied:
- (1) The director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee have approved a tax increment financing application made by the municipality for the appropriation of the new state revenues. The municipality shall include in the application the following items in addition to the items in section 99.810:
- (a) The tax increment financing district or redevelopment area, including the businesses identified within the redevelopment area;
- (b) The base year of state sales tax revenues or the base year of state income tax withheld on behalf of existing employees, reported by existing businesses within the project area prior to approval of the redevelopment project;
- (c) The estimate of the incremental increase in the general revenue portion of state sales tax revenue or the estimate for the state income tax withheld by the employer on behalf of new employees expected to fill new jobs created within the redevelopment area after redevelopment;
- 199 (d) The official statement of any bond issue pursuant to this subsection after December 200 23, 1997;

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- 201 (e) An affidavit that is signed by the developer or developers attesting that the provisions 202 of subdivision (1) of subsection 1 of section 99.810 have been met and specifying that the 203 redevelopment area would not be reasonably anticipated to be developed without the 204 appropriation of the new state revenues;
 - (f) The cost-benefit analysis required by section 99.810 includes a study of the fiscal impact on the state of Missouri;
 - (g) The statement of election between the use of the incremental increase of the general revenue portion of the state sales tax revenues or the state income tax withheld by employers on behalf of new employees who fill new jobs created in the redevelopment area;
 - (h) The name, street and mailing address, and phone number of the mayor or chief executive officer of the municipality;
 - (i) The street address of the development site;
- 213 (j) The three-digit North American Industry Classification System number or numbers 214 characterizing the development project;
 - (k) The estimated development project costs;
 - (1) The anticipated sources of funds to pay such development project costs;
- 217 (m) Evidence of the commitments to finance such development project costs;
- 218 (n) The anticipated type and term of the sources of funds to pay such development 219 project costs;
 - (o) The anticipated type and terms of the obligations to be issued;
- (p) The most recent equalized assessed valuation of the property within the development project area;
- 223 (q) An estimate as to the equalized assessed valuation after the development project area 224 is developed in accordance with a development plan;
 - (r) The general land uses to apply in the development area;
 - (s) The total number of individuals employed in the development area, broken down by full-time, part-time, and temporary positions;
 - (t) The total number of full-time equivalent positions in the development area;
- 229 (u) The current gross wages, state income tax withholdings, and federal income tax 230 withholdings for individuals employed in the development area;
- 231 (v) The total number of individuals employed in this state by the corporate parent of any 232 business benefitting from public expenditures in the development area, and all subsidiaries 233 thereof, as of December thirty-first of the prior fiscal year, broken down by full-time, part-time, 234 and temporary positions;

- 235 (w) The number of new jobs to be created by any business benefitting from public 236 expenditures in the development area, broken down by full-time, part-time, and temporary 237 positions;
 - (x) The average hourly wage to be paid to all current and new employees at the project site, broken down by full-time, part-time, and temporary positions;
 - (y) For project sites located in a metropolitan statistical area, as defined by the federal Office of Management and Budget, the average hourly wage paid to nonmanagerial employees in this state for the industries involved at the project, as established by the United States Bureau of Labor Statistics;
 - (z) For project sites located outside of metropolitan statistical areas, the average weekly wage paid to nonmanagerial employees in the county for industries involved at the project, as established by the United States Department of Commerce;
 - (aa) A list of other community and economic benefits to result from the project;
 - (bb) A list of all development subsidies that any business benefitting from public expenditures in the development area has previously received for the project, and the name of any other granting body from which such subsidies are sought;
 - (cc) A list of all other public investments made or to be made by this state or units of local government to support infrastructure or other needs generated by the project for which the funding pursuant to this section is being sought;
 - (dd) A statement as to whether the development project may reduce employment at any other site, within or without the state, resulting from automation, merger, acquisition, corporate restructuring, relocation, or other business activity;
 - (ee) A statement as to whether or not the project involves the relocation of work from another address and if so, the number of jobs to be relocated and the address from which they are to be relocated;
 - (ff) A list of competing businesses in the county containing the development area and in each contiguous county;
 - (gg) A market study for the development area;
- 263 (hh) A certification by the chief officer of the applicant as to the accuracy of the 264 development plan;
 - (2) The methodologies used in the application for determining the base year and determining the estimate of the incremental increase in the general revenue portion of the state sales tax revenues or the state income tax withheld by employers on behalf of new employees who fill new jobs created in the redevelopment area shall be approved by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee. Upon approval of the application, the director of the

department of economic development or his or her designee and the commissioner of the office of administration or his or her designee shall issue a certificate of approval. The department of economic development may request the appropriation following application approval;

- (3) The appropriation shall be either a portion of the estimate of the incremental increase in the general revenue portion of state sales tax revenues in the redevelopment area or a portion of the estimate of the state income tax withheld by the employer on behalf of new employees who fill new jobs created in the redevelopment area as indicated in the municipality's application, approved by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee. At no time shall the annual amount of the new state revenues approved for disbursements from the Missouri supplemental tax increment financing fund exceed thirty-two million dollars; provided, however, that such thirty-two million dollar cap shall not apply to redevelopment plans or projects initially listed by name in the applicable appropriations bill after August 28, 2015, which involve either:
 - (a) A former automobile manufacturing plant; or
- (b) The retention of a federal employer employing over two thousand geospatial intelligence jobs.

At no time shall the annual amount of the new state revenues for disbursements from the Missouri supplemental tax increment financing fund for redevelopment plans and projects eligible under the provisions of paragraph (a) of this subdivision exceed four million dollars in the aggregate. At no time shall the annual amount of the new state revenues for disbursements from the Missouri supplemental tax increment financing fund for redevelopment plans and projects eligible under the provisions of paragraph (b) of this subdivision exceed twelve million dollars in the aggregate. To the extent a redevelopment plan or project independently meets the eligibility criteria set forth in both paragraphs (a) and (b) of this subdivision, then at no such time shall the annual amount of new state revenues for disbursements from the Missouri supplemental tax increment financing fund for such eligible redevelopment plan or project exceed twelve million dollars in the aggregate;

- (4) Redevelopment plans and projects receiving new state revenues shall have a duration of up to fifteen years, unless prior approval for a longer term is given by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee; except that, in no case shall the duration exceed twenty-three years.
- 11. In addition to the areas authorized in subsection 9 of this section, the funding authorized pursuant to subsection 4 of this section shall also be available in a federally approved level district, where construction of a level begins after December 23, 1997, and which is contained within a county of the first classification without a charter form of government with

a population between fifty thousand and one hundred thousand inhabitants which contains all or part of a city with a population in excess of four hundred thousand or more inhabitants.

- 12. There is hereby established within the state treasury a special fund to be known as the "Missouri Supplemental Tax Increment Financing Fund", to be administered by the department of economic development. The department shall annually distribute from the Missouri supplemental tax increment financing fund the amount of the new state revenues as appropriated as provided in the provisions of subsection 4 of this section if and only if the conditions of subsection 10 of this section are met. The fund shall also consist of any gifts, contributions, grants or bequests received from federal, private or other sources. Moneys in the Missouri supplemental tax increment financing fund shall be disbursed per project pursuant to state appropriations.
- 13. Redevelopment project costs may include, at the prerogative of the state, the portion of salaries and expenses of the department of economic development and the department of revenue reasonably allocable to each redevelopment project approved for disbursements from the Missouri supplemental tax increment financing fund for the ongoing administrative functions associated with such redevelopment project. Such amounts shall be recovered from new state revenues deposited into the Missouri supplemental tax increment financing fund created under this section.
- 14. For redevelopment plans or projects approved by ordinance that result in net new jobs from the relocation of a national headquarters from another state to the area of the redevelopment project, the economic activity taxes and new state tax revenues shall not be based on a calculation of the incremental increase in taxes as compared to the base year or prior calendar year for such redevelopment project, rather the incremental increase shall be the amount of total taxes generated from the net new jobs brought in by the national headquarters from another state. In no event shall this subsection be construed to allow a redevelopment project to receive an appropriation in excess of up to fifty percent of the new state revenues.
- 15. Notwithstanding any other provision of the law to the contrary, the adoption of any tax increment financing authorized under sections 99.800 to 99.865 shall not supersede, alter, or reduce in any way a property tax levied under section 205.971.
- 347.048. **1. (1)** Any limited liability company that owns and rents or leases real property, or owns unoccupied real property, located within any home rule city with a population of more than four hundred thousand inhabitants which is located in more than one county, shall file with that city's clerk an affidavit listing the name and **street** address of at least one **natural** person who has management control and responsibility for the real property owned and leased or rented by the limited liability company, or owned by the limited liability company and unoccupied.

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8 (2) Within thirty days following the cessation of management control and 9 responsibility of any natural person named in an affidavit described in this section, the 10 limited liability company shall file a successor affidavit listing the name and street address of a natural person successor.

- 2. No limited liability company shall be charged a fee for filing an affidavit or successor affidavit required under this section.
- 3. If a limited liability company required by this section to file an affidavit or a successor affidavit fails or refuses to file such completed affidavit with the appropriate clerk, any person who is adversely affected by the failure or refusal or the home rule city may petition the circuit court in the county where the property is located to direct the execution and filing of such document.

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