

SENATE BILL NO. 1480

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR BRATTIN.

6419S.03I

KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 49, RSMo, by adding thereto one new section relating to public facilities.

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

Section A. Chapter 49, RSMo, is amended by adding thereto
2 one new section, to be known as section 49.700, to read as
3 follows:

49.700. 1. This section shall be known and may be
2 cited as the "Missouri Sports Franchise Responsibility Act".

3 2. As used in this section, the following terms shall
4 mean:

5 (1) "Department", the Missouri department of economic
6 development;

7 (2) "Governing body", the governing body of:

8 (a) A county, a municipality, or a city not within a
9 county that owns a public facility; or

10 (b) Any authority, board, commission, or other
11 political subdivision created pursuant to state law that
12 owns a public facility;

13 (3) "Public facility", any building or facility owned
14 by:

15 (a) A county, a municipality, or a city not within a
16 county; or

17 (b) Any authority, board, commission, or other
18 political subdivision created by or pursuant to state law

19 for the purpose of owning or operating public facilities on
20 behalf of one or more counties or municipalities;

21 (4) "Reasonably adaptable or usable", capable of being
22 put to another lawful public or commercial use without
23 demolition or substantial reconstruction, using
24 modifications that are:

25 (a) Consistent with applicable building, fire, safety,
26 and accessibility codes;

27 (b) Technically feasible using ordinary construction
28 methods; and

29 (c) Economically practicable, taking into account the
30 physical characteristics of the public facility and
31 prevailing market conditions, but without regard to the
32 maximum or highest potential value of the public facility;

33 (5) "Substantial reconstruction", construction
34 activity that materially alters the structural framework,
35 load-bearing elements, or fundamental design of a public
36 facility, including the removal or replacement of primary
37 structural components, and that exceeds ordinary renovation,
38 repair, or reconfiguration undertaken to accommodate a
39 different tenant or use. "Substantial reconstruction" shall
40 include work that would customarily require:

41 (a) Removal of major structural systems; or

42 (b) Reconfiguration of the facility such that its
43 essential physical form or functional layout is
44 fundamentally changed.

45 3. (1) Any lessee of a public facility that is leased
46 for the lessee's exclusive or primary use may be liable, as
47 provided in this section, for a proportionate share of the
48 reasonable costs of demolition or substantial reconstruction
49 of such public facility if, upon termination or expiration
50 of the lease, the public facility is left in a condition

51 that is not reasonably adaptable or usable for another
52 lawful public or commercial use without demolition or
53 substantial reconstruction.

54 (2) Liability under this section shall apply only to
55 the extent that the condition described in subdivision (1)
56 of this subsection is attributable to the lessee's exclusive-
57 use configuration of the public facility or to improvements
58 installed, constructed, or financed by or on behalf of the
59 lessee, including tenant-specific improvements financed in
60 whole or in part with public funds.

61 (3) The lessee's liability, if any, shall be limited
62 to a proportionate share of the reasonable and necessary
63 costs of demolition or substantial reconstruction that are
64 directly attributable to such exclusive-use configuration or
65 lessee-installed improvements and shall not include costs
66 attributable solely to general obsolescence, ordinary wear
67 and tear, changes in market demand, or redevelopment
68 decisions unrelated to the lessee's use of the public
69 facility. The lessee's proportionate share of the
70 reasonable and necessary costs of demolition or substantial
71 reconstruction shall not exceed the product of one percent
72 of the reasonable and necessary costs of demolition or
73 substantial reconstruction multiplied by the number of years
74 the lessee has leased the public facility.

75 4. Upon the request of a governing body, the
76 department shall, based on substantial evidence and any
77 independent expert analysis it deems necessary:

78 (1) Determine whether the public facility is
79 reasonably adaptable or usable without demolition or
80 substantial reconstruction;

81 (2) Identify whether the condition of the public
82 facility is attributable to:

- 83 (a) The lessee's exclusive-use configuration;
84 (b) Lessee-installed improvements; or
85 (c) Publicly funded lessee-specific improvements;
86 (3) Determine reasonable costs attributable to the
87 conditions described in subdivision (2) of this subsection;
88 and
89 (4) Allocate a proportional share of costs to the
90 lessee.

91 5. Upon the determination made by the department
92 pursuant to subsection 4 of this section, the department
93 shall serve upon the governing body and the lessee, by
94 certified mail with return receipt requested, written
95 findings of fact, any independent expert reports utilized,
96 all itemized cost estimates, and an analysis explicitly
97 attributing causation and costs to the lessee and governing
98 body. Service shall be deemed complete upon mailing.

99 6. Within thirty days after service of the
100 determination provided in subsection 5 of this section, a
101 lessee may appeal the department's determination to the
102 administrative hearing commission, which shall hear the
103 appeal as a contested case pursuant to chapter 621. In any
104 such appeal, the department shall bear the burden of proof
105 that the proportional share of costs to the lessee is
106 reasonable, and the administrative hearing commission may
107 affirm, reverse, or modify the department's determination.

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