

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 629**  
**89TH GENERAL ASSEMBLY**

Reported from the Committee on Municipal Corporations, April 21, 1998, with recommendation that the House Committee Substitute for Senate Bill No. 629 Do Pass.  
ANNE C. WALKER, Chief Clerk  
L2534.07C

**AN ACT**

To repeal sections 67.1400, 67.1410, 67.1420, 67.1430, 67.1440, 67.1450, 67.1460, 67.1470, 67.1480, 67.1490, 67.1500, 67.1510, 67.1520, 67.1530, 67.1540, 67.1550 and 67.1560, RSMo Supp. 1997, relating to community improvement, and to enact in lieu thereof forty new sections relating to the same subject.

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

Section A. Sections 67.1400, 67.1410, 67.1420, 67.1430, 67.1440, 67.1450, 67.1460, 67.1470, 67.1480, 67.1490, 67.1500, 67.1510, 67.1520, 67.1530, 67.1540, 67.1550 and 67.1560, RSMo Supp. 1997, are repealed and forty new sections enacted in lieu thereof, to be known as sections 67.1600, 67.1603, 67.1606, 67.1609, 67.1612, 67.1615, 67.1618, 67.1621, 67.1624, 67.1627, 67.1630, 67.1633, 67.1636, 67.1639, 67.1642, 67.1645, 67.1648, 67.1651, 67.1654, 67.1657, 67.1660, 67.1663, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18, to read as follows:

**67.1600. For the purposes of sections 67.1600 to 67.1663, the following terms shall mean:**

(1) **"Bona fide offer", an offer made in good faith and for a valuable consideration to purchase a qualified residence;**

(2) **"Certificate of participation", the duly notarized document of membership in a program, signed by the qualified applicant and by an authorized representative of the governing commission, which specifies the location and description of the guaranteed residence, its guaranteed value, the registration date, and which has attached a program appraisal for the guaranteed residence;**

(3) **"Community organization", a not for profit organization which has been registered with this state for at least five years as a not for profit organization, which qualifies for tax exempt status under Section 501(c)(3) or 501(c)(4) of the United States Internal Revenue Code of 1986, as now or hereafter amended, which continuously maintains an office or business location within the area of a program together with a current listed telephone number, and whose members reside within the area of a program;**

(4) **"Eligible applicant", a natural person who is the owner of a qualified residence within the area of a program who may occupy or have a family member who occupies such**

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

qualified residence as the principal place of residence;

(5) "Family member", a spouse, child, stepchild, parent, grandparent, brother, sister, or any such relations of the spouse of the member;

(6) "Governing commission", the nine member (or eighteen member in the case of a merged program) governing body which is authorized by voter approval of the creation of a home equity program (or merger of programs) as provided in sections 67.1600 to 67.1663 and which is appointed by the mayor of the municipality or the county executive of the county in which the program has been approved with the approval of the city council or the governing body of the county, seven (or fourteen in the case of a merged program) of whom shall be appointed from a list or lists of nominees submitted by a community organization or community organizations as defined in sections 67.1600 to 67.1663;

(7) "Gross selling value", the total consideration to be paid for the purchase of a guaranteed residence, and shall include any amount that the buyer or prospective buyer agrees to assume on behalf of a member, including broker commissions, points, legal fees, personal financing, or other items of value involved in the sale;

(8) "Guarantee fund", the funds collected under the provisions of sections 67.1600 to 67.1663 for the purpose of guaranteeing the property values of members within the area of a program;

(9) "Guaranteed residence", a qualified residence, including condominium property as defined in chapter 448, RSMo, for which a certificate of participation has been issued, which is occupied continuously as the place of legal residence by the member or a family member, which is described in the certificate of participation, and which is entitled to coverage under sections 67.1600 to 67.1663;

(10) "Guaranteed value", the appraised valuation based upon a standard of current fair market value as of the registration date on the qualified residence as determined by a program appraiser pursuant to accepted professional appraisal standards and which is authorized by the commission for the registration date. The guaranteed value shall be used solely by the commission for the purpose of administering the program and shall remain confidential;

(11) "Member", the owner of a guaranteed residence;

(12) "Owner", a natural person who is the legal titleholder or who is the beneficiary of a trust which is the legal titleholder;

(13) "Physical perils", physical occurrences such as, but not limited to, fire, windstorm, hail, nuclear explosion, seepage, war, insurrection, wear and tear, cracking, settling, vermin, rodents, insects, vandalism, pollution or contamination, and all such related occurrences or acts of God;

(14) "Program", means the guaranteed home equity program governed by a specific home equity commission;

(15) "Program appraisal", a real estate appraisal conducted by a program appraiser for the purpose of establishing the guaranteed value of a qualified residence under a program and providing a general description of the qualified residence. The program appraisal shall be used solely by the governing commission for the purpose of administering the program and shall remain confidential;

(16) "Program appraiser", a real estate appraiser who meets the professional standards established by the American Institute of Real Estate Appraisers (AIREA), the

National Association of Independent Fee Appraisers (NAIFA), the National Society of Real Estate Appraisers (NSREA) or the American Society of Appraisers (ASA) and whose name is submitted to the governing commission by the appraiser to conduct program appraisals under the provisions of a program;

(17) "Program guidelines", those policies, rules, regulations, and bylaws established from time to time by the governing commission to explain, clarify, or modify the program in order to fulfill its goals and objectives;

(18) "Qualified residence", a building:

(a) Located in the area of a program and having at least one, but not more than six, dwelling units, however, in the case of condominiums there is no limit on the number of dwelling units;

(b) Classified by county ordinance as residential and assessed for property tax purposes; and

(c) With at least one dwelling unit continuously occupied as the principal legal residence of a member or family member;

(19) "Registration date", the date of receipt by the governing commission of the registration fee and a completed application of a qualified applicant for participation in a program;

(20) "Registration fee", the fee which is established by the governing commission to defray the cost of a program appraisal on a qualified residence.

**67.1603. 1. In a municipality with more than five hundred and less than three hundred thousand inhabitants, the question of creating a home equity program entirely within the municipality or within a portion of such municipality shall be initiated by ordinance of the governing body of the municipality or by a petition signed by not less than five percent of the total number of registered voters of the municipality who voted in the last gubernatorial election, the registered voters of which are eligible to sign the petition. It shall be the duty of the election authority having jurisdiction over such municipality to submit the question of creating a home equity program to the voters within the municipality at the regular election specified in the ordinance or petition initiating the question.**

**2. In a municipality or a county with three hundred thousand or more inhabitants, the question of creating a home equity program within a contiguous area included entirely within the municipality or unincorporated area of a county shall be initiated by ordinance of the governing body of the municipality, county or by a petition signed by not less than five percent of the total number of registered voters within each township, district or ward who voted in the last gubernatorial election, the registered voters of which are eligible to sign the petition. It shall be the duty of the election authority having jurisdiction over such municipality or county to submit the question of creating a home equity program to the voters within the area at the regular election specified in the ordinance or petition initiating the question. If the question is initiated by petition and if the requisite number of signatures is not obtained in any township, district or ward included within the area described in the petition, then the petition shall be valid as to the area encompassed by those townships, districts or wards for which the requisite number of signatures is obtained and any such township, district or ward for which the requisite number of signatures is not obtained shall be excluded from the area.**

3. A petition initiating a question described in this section shall be filed with the election authority having jurisdiction over the municipality or county. The petition shall be filed in the manner provided in the general election law. An ordinance, or petition initiating a question described in this section shall specify the election at which the question is to be submitted. The election on such question shall be held in accordance with general election law. Such question, and the ordinance, or petition initiating the question, shall include a description of the area, the name of the proposed home equity program, and the maximum rate at which the home equity program shall be able to levy a property tax. All of that area within the geographic boundaries of the area described in such question shall be included in the program, and no area outside the geographic boundaries of the area described in such question shall be included in the program. If the election authority determines that the description cannot be included within the space limitations of the ballot, the election authority shall prepare large printed copies of a notice of the question, which shall be prominently displayed in the polling place of each township or ward in which the question is to be submitted.

4. Whenever a majority of the voters on such public question, in a municipality or a county with three hundred thousand or more inhabitants, approve the creation of a home equity program as certified by the proper election authorities, the governing body of the municipality or county shall appoint nine individuals, to be known as commissioners, to serve as the governing body of the home equity program. The governing body shall choose seven of the nine individuals to be appointed to the governing commission from nominees submitted by a community organization or community organizations as defined in sections 67.1600 to 67.1663. A community organization may recommend up to twenty individuals to serve on a governing commission. No fewer than five commissioners serving at any one time shall reside within the area of the program. In a municipality with more than five hundred and less than three hundred thousand inhabitants, the governing body of the municipality may serve as the governing body of the home equity program or, in the alternative, the governing body may appoint a five-member governing commission to administer the home equity program. The mayor of any municipality whose governing body serves as the governing body of the home equity program may appoint a five-member advisory board to make recommendations to the governing body of the municipality in relation to the home equity program. Board members shall serve without compensation except for reasonable expenses incurred in the performance of duties as a board member. The governing body of the municipality shall establish the terms of office of the governing commission or advisory board members, and no member shall serve more than three consecutive terms.

5. Upon creation of a governing commission in a municipality with three hundred thousand or more inhabitants, the terms of the initial commissioners shall be as follows: three shall serve for one year, three shall serve for two years, and three shall serve for three years and until a successor is appointed and qualified. All succeeding terms shall be for three years, or until a successor is appointed or qualified, and no commissioner may serve more than two consecutive terms. Commissioners shall serve without compensation except for reimbursement for reasonable expenses incurred in the performance of duties as a commissioner. A vacancy in the office of a member of a commission shall be filled in like manner as an original appointment. All proceedings and meetings of the governing

commission shall be conducted in accordance with the provisions of chapter 610, RSMo.

**67.1606. 1.** If the creation of an existing home equity program was initiated by petition and if a township or ward was excluded from the area because the requisite number of signatures was not obtained, the excluded township, district or ward may be added to the area of the program as provided in this section if the excluded township, district or ward is contiguous to the existing program.

**2.** Upon the filing of a petition signed by the requisite number of registered voters of a township, district or ward that is contiguous to an existing home equity program, the township, district or ward may be added to the area of the program as provided in this section.

**3.** If a petition signed by not less than five percent of the total number of registered voters within the township, district or ward who voted in the last gubernatorial election is filed with the proper election authority, and if the governing commission consents, by ordinance or resolution, to adding the excluded township, district or ward to the area of the program, the election authority shall submit the question of adding the excluded township, district or ward to the area of the program to the voters of the excluded township, district or ward at the regular election specified in the petition. The petition shall be filed and the election shall be conducted as provided in the general election law. The petition and the question submitted shall describe the township, district or ward, identify the program to which the township, district or ward is proposed to be added, and state the maximum rate at which the program shall be authorized to levy a property tax, which rate shall be the same as the existing maximum rate for the program.

**4.** If a majority of the voters of the township, district or ward voting on the question are in favor of adding the township, district or ward to the program, the township, district or ward shall be part of the area of the program.

**67.1609. 1.** Whenever the question of merging two existing and contiguous home equity programs within a municipality or a county or which are included within two or more municipalities or unincorporated area of a county is initiated by ordinance of the governing commissions of both programs proposed to be merged or by a petition signed by not less than five percent of the total registered voters within the area of each program proposed to be merged who voted in the last gubernatorial election, the registered voters of which are eligible to sign the petition, it shall be the duty of the election authority having jurisdiction over such municipality, municipalities or county to submit the question of merging the programs to the voters of each program at the regular election specified in the ordinance or petition initiating the question. A petition initiating a question described in this section shall be filed with the election authority having jurisdiction over the municipality, municipalities or county. The petition shall be filed in the manner provided in the general election law. An ordinance or petition initiating a question described in this section shall specify the election at which the question is to be submitted. The election on such question shall be held in accordance with general election law. Such question, and the ordinance or petition initiating the question, shall include a description of the area of the two programs, the name of the proposed merged home equity program, and the maximum rate at which the merged home equity program shall be able to levy a property tax. All of that area within the geographic boundaries of the area of the two programs described in such question shall be included in the merged program, and no area outside

the geographic boundaries of the area of the two programs described in such question shall be included in the merged program. If the election authority determines that the description cannot be included within the space limitations of the ballot, the election authority shall prepare large printed copies of a notice of the question, which shall be prominently displayed in the polling place of each township, district or ward in which the question is to be submitted.

2. Whenever a majority of the voters on such public question in each existing program approve the merger of home equity programs as certified by the proper election authorities, the nine commissioners of each of the merged programs shall serve as the eighteen-member governing body of the merged home equity program.

3. No fewer than ten commissioners serving at any one time shall reside within the area of the merged program. Upon creation of a merged program, a commissioner shall serve for the term for which he or she was appointed and until a successor is appointed and qualified. All succeeding terms shall be for three years, or until a successor is appointed and qualified, and no commissioner may serve more than two consecutive terms. Commissioners shall serve without compensation except for reimbursement for reasonable expenses incurred in the performance of duties as a commissioner. A vacancy in the office of a member of the commission shall be filled in like manner as an original appointment. All proceedings and meetings of the governing commission shall be conducted in accordance with the provisions of chapter 610, RSMo, as now or hereafter amended. Upon creation of a merged program, the members of each of the two programs merged into the merged program shall be members of the merged program, the guarantee funds of each shall be merged, and they shall be operated as a single program.

67.1612. The duties and functions of the governing commission of a home equity program shall include the following:

(1) To select an administrator to conduct or supervise the day-to-day operation of the program, including but not limited to the administration of homeowner applications for participation in the program and homeowner claims against the guarantee fund;

(2) To establish policies, rules, regulations, bylaws, and procedures for both the governing commission and the program. No policies, rules, regulations, or bylaws shall be adopted by the governing commission without prior notice to the residents of the area of a program and an opportunity for such residents to be heard;

(3) To provide annual status reports on the program to the governing body of the municipality or county;

(4) To establish guaranteed value standards which are directly linked to the program appraisal, to approve guarantee values, and to establish requirements for program appraisers consistent with subdivision (16) of section 67.1600. In no event shall the program guidelines adopted by the governing commission provide for selecting appraisers based on criteria other than the quality and timeliness of the appraisals provided to the governing commission;

(5) To manage, administer, and invest the guarantee fund;

(6) To liquidate acquired assets to maintain the guarantee fund;

(7) To participate in arbitration required under the program and to subpoena all necessary persons, parties, or documents required to proceed with such arbitration;

(8) To employ necessary personnel, acquire necessary office space, enter into

contractual relationships and disburse funds in accordance with the provisions of sections 67.1600 to 67.1663; and

(9) To perform such other functions in connection with the program and the guarantee fund as required under sections 67.1600 to 67.1663.

**67.1615. 1.** Eligibility for membership in the program shall be limited to the owner of a qualified residence within the area of a home equity program who continuously occupies or has a family member who occupies a qualified residence as a principal place of residence.

**2.** An eligible applicant shall apply to the program by submitting an application and a registration fee as determined by the governing commission. Prior to accepting a registration fee, the governing commission shall inform the applicant of the rights, duties, and obligations of both the member and the governing commission under the program. Upon receipt of the registration fee, the governing commission shall have the residence of the applicant appraised by a program appraiser at the expense of the program to determine the guaranteed value of the residence.

**3.** At its option, the governing commission may require a second program appraisal of the qualified residence, also at the expense of the program, if it determines that the first program appraisal is incomplete, inadequate, or inaccurate.

**4.** A certificate of participation shall then be issued to the eligible applicant certifying membership in the program and stating the guaranteed value, the registration date, the address of the guaranteed residence and description of the conditions and exclusions of the program. An authorized program appraisal shall be attached to the certificate of participation.

**67.1618.** A member or the estate of a member participating in a program created under the provisions of sections 67.1600 to 67.1663 shall be paid one hundred percent of the difference between the guaranteed value as determined by the program and the gross selling value as determined in section 67.1621 if the guaranteed value is greater than the gross selling value. The guarantee provided by the program shall only apply to sales made three years or more after the date of issuance of the certificate of participation and shall be provided subject to all of the terms, conditions, and stipulations of the program. The guarantee provided by the program shall extend only to those who qualified as members at the time of their application, or to the estates of members; provided that the estate applies within two years of the member's death or within five years after the date of issuance of the certificate of participation, whichever is later. A member of a program agrees to abide by all conditions, stipulations, and provisions of a program and shall not be eligible for protection and shall not receive the guarantee unless all such conditions, stipulations and provisions have been met. Any member failing to abide by the conditions, stipulations and provisions of a program or who engages in fraud, misrepresentation, or concealment in any process involving a program forfeits both the registration fee and any claim to the guarantee.

**67.1621. 1.** In order to be eligible for payment under a program created pursuant to sections 67.1600 to 67.1663, a member must follow the program guidelines adopted by the governing commission as well as the procedures set forth in this section.

**2.** A member must file a notice of intent to sell with the governing commission in accordance with program guidelines if and when the member intends to place the

guaranteed residence on the market for sale. Upon receipt of a notice of intent to sell, the governing commission shall provide the member with a copy of this section and a written description of the rights and responsibilities of both the member and the governing commission and the procedures for obtaining benefits; provided, however, that such information provided by the governing commission shall not restrict or advise the member with respect to the selection of a real estate broker or agent. The information shall be delivered to the member either in person or by registered mail. A member is not eligible to file notice of intent to sell until at least three years but no more than five years after the member's registration date.

3. A member is required to offer the guaranteed residence for sale according to the program guidelines, including the utilization of complete and proper methods for listing residential property, listing the guaranteed residence at a price which reasonably can be expected to attract buyers, and providing reasonable access for potential buyers to see the guaranteed residence.

4. A member may list the guaranteed residence in accordance with program guidelines with a real estate broker of the member's choice for up to ninety days following the date on which the member listed the residence.

5. Within sixty days of receipt of a notice of intent to sell, the governing commission has the right to have the guaranteed residence inspected by a program appraiser, at the governing commission's expense, in order to determine if the guaranteed residence is in substantially the same condition as described by the program appraisal attached to the certificate of participation. If the guaranteed residence fails to meet this standard, the following procedures shall be followed:

(1) The program appraiser shall determine the percentage depreciation of the guaranteed residence due to failure to maintain the premises or due to physical perils or other causes not covered by the program;

(2) This percentage figure shall be multiplied by the guaranteed value to determine the dollar depreciation;

(3) This dollar depreciation shall be subtracted from the guaranteed value to derive a lower guaranteed value to be used for the purpose of determining the amount of payment under the program.

6. A member shall make the guaranteed residence available to a program appraiser within a reasonable time within this sixty-day period after receipt of notice from the commission that an inspection under subsection 5 of this section is required, or the member's coverage under the program shall be null, void and of no further effect, and the member's registration fee shall be forfeited.

7. Ninety days after listing the guaranteed residence, a member shall be eligible to file a notice of intent to claim with the governing commission, in accordance with guidelines established by the governing commission, attesting to the fact that the member has followed program guidelines in offering the guaranteed residence for sale, that the member is unable to obtain an offer for purchase of the guaranteed residence for at least its guaranteed value, and that the member intends to file a claim against the program. Such notice shall include verifiable evidence of placement of the guaranteed residence on the market, the dates such placement took place, and shall list all reasonable offers to buy the property. Verifiable evidence may include a copy of advertisements for sale, a contract



with a licensed real estate broker, or other evidence satisfactory to a majority of the governing commission.

8. Upon receipt of the notice of intent to claim, the governing commission has sixty days during which it shall require the member to list the guaranteed residence at a price that the governing commission deems reasonable with a real estate broker of the member's choosing. The real estate broker chosen by the member shall advertise the guaranteed residence throughout the municipality or county which encompasses the area of the program.

9. During the sixty-day period described in subsection 7 of this section, the member shall forward to the governing commission all offers of purchase by either personal delivery or registered mail. If the member receives an offer of purchase which can reasonably be expected to be consummated if accepted and whose gross selling value is greater than the guaranteed value of the guaranteed residence, then no benefits may be claimed under the program. If the member receives an offer to purchase at a gross selling value that is less than the guaranteed value, the governing commission shall, within three working days of the receipt of such offer, either:

(1) Approve the offer, in which case the governing commission shall authorize the payment of the amount afforded under sections 67.1600 to 67.1663 upon receipt of verifiable evidence of the sale of the guaranteed residence subject to the following conditions:

- (a) Sales involving eminent domain shall be covered as set forth in section 67.1630;
- (b) Sales subsequent to an insured property and casualty loss shall be guaranteed for the guaranteed value as determined according to subsection 5 of this section;
- (c) Contract sales shall be guaranteed as determined by the guaranteed value in subsection 5 of this section, however proceeds payable from the program shall be disbursed in equal annual installments over the life of the contract; or

(2) Reject the offer, in which case the member shall continue showing the guaranteed residence until the termination of the sixty-day period.

Any offer that the governing commission deems not to be a bona fide offer shall be rejected by the governing commission. Unless the member and the governing commission otherwise agree, the governing commission's failure to act upon an offer within three working days shall be deemed to be a rejection of the offer.

67.1624. No guarantee is afforded by the program until sixty days after a member files a notice of intent to claim. Furthermore, the governing commission shall be required to make payments to a member only upon receipt of verifiable evidence of the actual sale of the guaranteed residence in accordance with the terms agreed upon between the member and the governing commission at the time the governing commission authorized payment. If a member rejects an offer for purchase which has been submitted to and approved by the governing commission, the governing commission or program shall not be liable for any future guarantee payment larger than that authorized for this proposed sale.

67.1627. Except as otherwise provided in sections 67.1600 to 67.1663, payments under the program as provided in section 67.1618 shall not be made until the sale of the guaranteed residence has closed and title has passed or the beneficial interest has been

transferred.

**67.1630.** When a guaranteed residence is to be acquired through the use of eminent domain by a condemning body, the following procedures shall apply:

(1) If the member rejects an offer from the condemning body equal to or greater than the guaranteed value, then no benefits may be claimed under the program;

(2) If the condemning body offers less than the guaranteed value, the governing commission may either:

(a) Pay one hundred percent of the difference between the guaranteed value and the offered price if the member agrees to sell at the offered price; or

(b) Advise the member that the offer is inadequate and should be refused. If the member refuses the offer and the final court determination of the value of the property is less than the guaranteed value, then the program shall pay one hundred percent of the difference between the judgment and the guaranteed value.

**67.1633. 1.** A member has the option of applying for a new program appraisal by a program appraiser in order to establish a new certificate of participation with a new registration date. The governing commission may exercise the right to require a second program appraisal in accordance with the procedures described in section 67.1615. This new guaranteed value shall be subject to the following conditions:

(1) A new guaranteed value established solely for the purpose of determining a property's increased value due to inflation may not be requested by the member until at least three years have elapsed from the most recent registration date;

(2) A new guaranteed value established due to home improvements shall be granted only when the value of the home improvements exceed five thousand dollars;

(3) A member may not initiate a claim against the program based upon the new guaranteed value until at least three years after the new registration date. Until that time, coverage shall be based on the most recent certificate of participation which is at least three years old and the guaranteed value set forth in that certificate of participation;

(4) If the governing commission, by majority vote, determines that the application for a new appraisal is due to substantial property improvements on the guaranteed residence, then the application fee for the appraisal shall be one-half of the registration fee then being charged by the program;

(5) If the governing commission, by a majority vote, concludes that the application for a new appraisal is not due to substantial property improvements, the application fee for the new appraisal shall be the amount of the registration fee then being charged by the program;

(6) A new guaranteed value shall be subject to all of the conditions, stipulations, and provisions of sections 67.1600 to 67.1663.

**2.** After following the above procedures, the member shall be issued a new certificate of participation which shall state the new guaranteed value and registration date.

**3.** A member may request a new guaranteed value and registration date only once per year.

**67.1636. 1.** If a member or applicant disagrees with the guaranteed value, the dollar depreciation due to failure to maintain the premises, or the dollar depreciation due to physical perils as determined by the program appraiser and approved by the governing

commission, the member may appeal in writing to the governing commission within thirty days of the approval of the guaranteed value or the dollar depreciation by the governing commission. The governing commission must respond in writing to this appeal within thirty days of its receipt.

2. If the member still disagrees with the governing commission, the member may submit a written request for arbitration to the governing commission within thirty days of receiving the written response to the appeal.

3. All such requests for arbitration shall be settled in accordance with the real estate valuation arbitration rules of the American Arbitration Association. Judgment upon the award rendered by the arbitrator may be entered in any court having appropriate jurisdiction.

4. The determination made pursuant to such arbitration procedure shall be final and binding on the member, the governing commission and all other parties.

67.1639. 1. Each governing commission and program created under the provisions of sections 67.1600 to 67.1663 shall maintain a guarantee fund for the purposes of paying the costs of administering the program and extending protection to members pursuant to the limitations and procedures set forth in sections 67.1600 to 67.1663.

2. The guarantee fund shall be raised by means of an annual tax levied on all real property within the area of the program. The rate of this tax may be changed from year to year by majority vote of the governing commission but in no case shall it exceed a rate of fifteen hundredths of a percent of the equalized assessed valuation of all real property in the area of the program, or the maximum tax rate approved by the voters of the area at the election which created the program or, in the case of a merged program, the maximum tax rate approved by the voters at the election authorizing the merger, whichever rate is lower. The commissioners shall cause the amount to be raised by taxation in each year to be certified to the county clerk in the manner provided by law, and any tax so levied and certified shall be collected and enforced in the same manner and by the same officers as those taxes for the purposes of the county and city within which the area of the commission is located. Any such tax, when collected, shall be paid over to the proper officer of the commission who is authorized to receive such tax. The governing commission may issue tax anticipation warrants against the taxes to be assessed for the calendar year in which the program is created and for the first full calendar year after the creation of the program.

3. The moneys deposited in the guarantee fund shall, as nearly as practicable, be fully and continuously invested or reinvested by the governing commission in investment obligations which shall be in such amounts, and shall mature at such times, that the maturity or date of redemption at the option of the holder of such investment obligations shall coincide, as nearly as practicable, with the times at which moneys will be required for the purposes of the program. For the purposes of this section investment obligation shall mean direct general municipal, state, or federal obligations which at the time are legal investments under the laws of this state and the payment of principal of and interest on which are unconditionally guaranteed by the governing body issuing them.

4. The guarantee fund shall be used solely and exclusively for the purpose of providing guarantees to members of the particular guaranteed home equity program and for reasonable salaries, expenses, bills, and fees incurred in administering the program, and shall be used for no other purpose. Any municipality with a population of less than one

thousand shall administer the program in conjunction with another such program in the same county.

5. The guarantee fund shall be maintained, invested, and expended exclusively by the governing commission of the program for whose purposes it was created. Under no circumstance shall the guarantee fund be used by any person or persons, governmental body, or public or private agency or concern other than the governing commission of the program for whose purposes it was created. Under no circumstances shall the guarantee fund be commingled with other funds or investments. No commissioner or family member of a commissioner, or employee or family member of an employee, may receive any financial benefit, either directly or indirectly, from the guarantee fund. Nothing in this subsection shall be construed to prohibit payment of expenses to a commissioner in accordance with section 67.1609 or payment of salaries or expenses to an employee in accordance with this section. As used in this subdivision, "family member" means a spouse, child, stepchild, parent, brother, or sister of a commissioner or a child, stepchild, parent, brother, or sister of a commissioner's spouse.

6. An independent audit of the guarantee fund and the management of the program shall be conducted annually and made available to the public through any office of the governing commission or a public facility such as a local public library located within the area of the program.

67.1642. A home equity program may be terminated only by the submission of and approval of the issue in the form of a public question before the voters of the area of the program at a regularly scheduled election in the same manner as the question of the creation of the program, as set forth in section 67.1609. If a majority of the voters voting upon the question approve the termination of the home equity program, as certified by the proper election authorities, the program shall conclude its business and cease operations within one year of the date on which the election containing the public question was held. In terminating the program, the governing commission shall refund the remaining balance of the guarantee fund, if any, after all potential liabilities have been satisfied, to the then current property taxpayers of all real property within the area of the commission in an equitable manner proportionate to the manner in which the guarantee fund was raised.

67.1645. A program created under sections 67.1600 to 67.1663 provides a guarantee only against specifically local adverse housing market conditions within the area of the program as they may differ from regional or national housing conditions. A program shall not provide relief from adverse regional or national housing market conditions as they may affect local housing conditions. A program shall not guarantee against a decline in the value of housing due to economic forces such as a national or regional recession or depression. In the event of a regional decline in the value of housing in the regional or national housing markets, the governing commission may temporarily suspend coverage under the program in order to protect the fiscal integrity of the guarantee fund. For the purposes of this section, a regional decline in the value of housing is defined as a five percent annual decline in the median value of existing houses in any twelve month period for the nation, midwest region, or state of Missouri, according to statistics published by the national association of realtors.

67.1648. If the guarantee fund becomes depleted and payments of guarantees under the program cannot be made in a timely fashion as required by the program guidelines, the

governing commission may temporarily suspend the registration of new members and borrow funds against future tax revenues until such time as the guarantee fund is sufficiently restored. Under no circumstances shall the indebtedness or obligations of a program or a governing commission become an indebtedness or obligation of either the municipality or county in which the program is located or the state of Missouri.

**67.1651. 1.** No commissioner, officer or employee, whether on salary, wages or voluntary basis shall be personally liable and no cause of action may be brought for damages resulting from the exercise of judgment or discretion in connection with the performance of program duties or responsibilities unless the act or omission involved willful or wanton conduct.

**2.** A program shall indemnify each commissioner, officer and employee, whether on salary, wages or voluntary basis against any and all losses, damages, judgments, interest, settlements, fines, court costs and other reasonable costs and expenses of legal proceedings including attorney fees, and any other liabilities incurred by, imposed upon, or suffered by such individual in connection with or resulting from any claim, action suit or proceeding, actual or threatened, arising out of or in connection with the performance of program duties. Any settlement of any claim must be made with prior approval of the governing commission in order for indemnification as provided in this section to be available.

**3.** The immunity and indemnification provided by a program under this section shall not cover any acts or omissions which involve willful or wanton conduct, breach of good faith, intentional misconduct, knowing violation of the law, or for any transaction from which such individual derives an improper personal benefit.

**67.1654.** No lawsuit or any other type of legal action brought under the terms of sections 67.1600 to 67.1663 shall be sustainable in a court of law or equity unless all conditions, stipulations, and provisions of the program have been complied with, and unless the suit is brought within twelve months after the event which is the subject of the legal action.

**67.1657.** If insurance or other form of payment is available to and carried by a member to provide protection similar to that provided by a program, the governing commission shall not be liable for a greater proportion of the loss than the amount provided by the program bears to the total amount available from all sources.

**67.1660. 1.** No provision of sections 67.1600 to 67.1663 and no procedure, regulation, or bylaw of a governing commission and program created under the provisions of sections 67.1600 to 67.1663 shall abridge a member's right to forfeit the registration fee and guarantee and withdraw from the program at any time and sell the guaranteed residence in any legal manner he or she sees fit.

**2.** No provision of sections 67.1600 to 67.1663 or any procedure, regulation, or bylaw of a governing commission and program created under the provisions of sections 67.1600 to 67.1663 is intended as, and none shall be used as, a means of discriminating against any individual on the basis of ethnic background, gender, race or religion.

**67.1663.** Any person violating the provisions of sections 67.1600 to 67.1663 or any procedure, regulation, or bylaw of a governing commission and program created under the provisions of sections 67.1600 to 67.1663 shall be guilty of a class A misdemeanor and fined as provided by law.

Section 1. 1. Sections 1 to 18 of this act shall be known and may be cited as the "Community Improvement District Act".

2. For the purposes of sections 1 to 18 of this act, the following words and terms mean:

(1) "Approval" or "approve", for purposes of elections pursuant to sections 1 to 18 of this act, a simple majority of those qualified voters voting in the election;

(2) "Assessed value", the assessed value of real property as reflected on the tax records of the county clerk of the county in which the property is located as of the last completed assessment;

(3) "Blighted area", an area which:

(a) By reason of the predominance of defective or inadequate street layout, 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; or

(b) Has been declared blighted or found to be a blighted area pursuant to Missouri law including, but not limited to, chapter 353, RSMo, sections 99.800 to 99.865, RSMo, or sections 99.300 to 99.715, RSMo;

(4) "Board", if the district is a political subdivision, the board of directors of the district, or if the district is a not for profit corporation, the board of directors of such corporation;

(5) "Director of revenue", the director of the department of revenue of the state of Missouri;

(6) "District", a community improvement district, established pursuant to sections 1 to 18 of this act;

(7) "Election authority", the election authority having jurisdiction over the area in which the boundaries of the district are located pursuant to chapter 115, RSMo;

(8) "Municipal clerk", the clerk of the municipality;

(9) "Municipality", the village, town or city in which the district is located or the county, in the event the district is located in an unincorporated area;

(10) "Obligations", bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued by a district to carry out any of its powers, duties or purposes or to refund outstanding obligations;

(11) "Owner", for real property, the individual or individuals or entity or entities who own the fee of real property or their legally authorized representative; for business organizations and other entities, the owner shall be deemed to be the individual which is legally authorized to represent the entity in regard to the district;

(12) "Per capita", one head count applied to each individual, entity or group of individuals or entities having fee ownership of real property within the district whether such individual, entity or group owns one or more parcels of real property in the district as joint tenants, tenants in common, tenants by the entirety or tenants in partnership;

(13) "Petition", a petition to establish a district as it may be amended in accordance with the requirements of section 3 of this act;

(14) "Qualified voters", for purposes of elections for approval of real property

taxes:

- (a) Registered voters; or
  - (b) If no registered voters reside in the district, the owner of real property per capita located within the district per the tax records of the county clerk for real property as of the thirtieth day prior to the date of the applicable election; and
  - (c) For purposes of the election of directors of the board, registered voters and owners of real property within the district per the tax records of the county clerk for real property as of the thirtieth day prior to the date of the applicable election; and
- (15) "Registered voters", persons who reside within the district and who are qualified and registered to vote pursuant to chapter 115, RSMo, pursuant to the records of the election authority as of the thirtieth day prior to the date of the applicable election.

Section 2. 1. The governing body of any municipality or county may establish one or more districts in the manner provided in sections 1 to 18 of this act.

- 2. The boundaries of the district shall be contiguous.
- 3. Each district shall be either a political subdivision of the state or a not for profit corporation organized pursuant to chapter 355, RSMo, and, in either form, with the advice and consent of the governing body of the municipality required for the execution of its powers, pursuant to section 7 of this act.
- 4. If a proposed district is a not for profit corporation, such corporation shall be organized and in good standing pursuant to the provisions of chapter 355, RSMo, at the time the petition for the proposed district is filed with the municipal clerk.
- 5. The name of the district shall include "community improvement district" and if it is a not for profit corporation, it shall be the same as the name of the not for profit corporation.
- 6. Notwithstanding any other provision of this section or of sections 1 to 18 of this act, in any city not within a county, the board of aldermen may establish up to seven districts in such city not within a county. The boundaries of each district shall be determined by the board of aldermen, shall be contiguous and shall be comprised of four wards of such city not within a county.

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

2. A petition is proper if, based on the tax records of the county clerk as of the time of filing the petition with the municipal clerk, it meets the following requirements:

- (1) It has been signed by property owners collectively owning more than fifty percent by assessed value of the real property within the boundaries of the proposed district;
- (2) It has been signed by more than fifty percent per capita of all owners of real property within the boundaries of the proposed district; and
- (3) It contains the following information:
  - (a) The legal description of the proposed district, including a map illustrating the district boundaries;
  - (b) The name of the proposed district;
  - (c) A notice that the signatures of the signers may not be withdrawn later than

seven days after the petition is filed with the municipal clerk;

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

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

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

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

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

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

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

(k) The maximum rates of real property taxes that may be submitted to the qualified voters for approval;

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

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

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

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

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

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

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

Name of owner: .....

Owner's telephone number and mailing address: .....

If signer is different from owner:

Name of signer: .....

State basis of legal authority to sign: .....

Signer's telephone number and mailing address: .....

If the owner is an individual, state if owner is single or married: .....

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



Map and parcel number and assessed value of each tract of real property within the proposed district owned: .....

By executing this petition, the undersigned represents and warrants that he or she is authorized to execute this petition on behalf of the property owner named immediately above.

.....

Signature of person signing for owner

Date

STATE OF MISSOURI )

) ss.

COUNTY OF .....)

Unofficial

Before me personally appeared ....., to me personally known to be the individual described in and who executed the foregoing instrument.

WITNESS my hand and official seal this ... day of ... (month), .....(year).

.....

.

Notary Public

My Commission Expires:

Bill

.....

3. Upon receipt of a petition the municipal clerk shall, within a reasonable time not to exceed ninety days after receipt of the petition, review and determine whether the petition substantially complies with the requirements of subsection 2 of this section. In the event the municipal clerk receives a petition which does not meet the requirements of subsection 2 of this section, the municipal clerk shall, within a reasonable time, return the petition to the submitting party by hand delivery, first class mail, postage prepaid or other efficient means of return and shall specify which requirements have not been met.

4. After the close of the public hearing required pursuant to subsection 1 of this section, the governing body of the municipality may adopt an ordinance approving the petition and establishing a district as set forth in the petition and may determine, if requested in the petition, whether the district, or any legally described portion thereof, constitutes a blighted area.

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

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

(2) At any time after the public hearing and prior to the adoption of an ordinance

establishing the proposed district; provided that, notice of the amendments to the petition is given by publishing the notice in a newspaper of general circulation within the municipality and by sending the notice via registered certified United States mail with a return receipt attached to the address of record of each owner of record of real property within the boundaries of the proposed district per the tax records of the county clerk. Such notice shall be published and mailed not less than ten days prior to the adoption of the ordinance establishing the district;

(3) At any time after the adoption of any ordinance establishing the district a public hearing on the amended petition is held and notice of the public hearing is given in the manner provided in section 4 of this act and the governing body of the municipality in which the district is located adopts an ordinance approving the amended petition after the public hearing is held.

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

Section 4. 1. Within a reasonable time, not to exceed forty-five days, after the receipt of the verified petition from the municipal clerk, the governing body shall hold or cause to be held a public hearing on the establishment of the proposed district and shall give notice of the public hearing in the manner provided in subsection 3 of this section. All reasonable protests, objections and endorsements shall be heard at the public hearing.

2. The public hearing may be continued to another date without further notice other than a motion to be entered on the minutes fixing the date, time and place of the continuance of the public hearing.

3. Notice of the public hearing shall be given by publication and mailing. Notice by publication shall be given by publication in a newspaper of general circulation within the municipality once a week for two consecutive weeks prior to the week of the public hearing. Notice by mail shall be given not less than fifteen days prior to the public hearing by sending the notice via registered or certified United States mail with a return receipt attached to the address of record of each owner of record of real property within the boundaries of the proposed district. The published and mailed notices shall include the following:

(1) The date, time and place of the public hearing;

(2) A statement that a petition for the establishment of a district has been filed with the municipal clerk;

(3) The boundaries of the proposed district by street location, or other readily identifiable means if no street location exists; and a map illustrating the proposed boundaries;

(4) A statement that a copy of the petition is available for review at the office of the municipal clerk during regular business hours; and

(5) A statement that all interested persons shall be given an opportunity to be heard at the public hearing.

Section 5. 1. Upon the written request of any real property owner within the district, the governing body of the municipality may hold a public hearing for the removal of real property from a district and such real property may be removed from such district by ordinance, provided that:

(1) The board consents to the removal of such property;

(2) The district can meet its obligations without the revenues generated by or on the real property proposed to be removed; and

(3) The public hearing is conducted in the same manner as required by section 4 of this act with notice of the hearing given in the same manner as required by section 4 of this act and such notice shall include:

(a) The date, time and place of the public hearing;

(b) The name of the district;

(c) The boundaries by street location, or other readily identifiable means if no street location exists of the real property proposed to be removed from the district, and a map illustrating the boundaries of the existing district and the real property proposed to be removed; and

(d) A statement that all interested persons shall be given an opportunity to be heard at the public hearing.

2. With the consent of the board, real property may be added to the district by ordinance upon receipt of a proper petition and after a public hearing is held by the governing body of the municipality on the addition of the real property in the manner provided in section 4 of this act. Notice of the public hearing shall be given by publication and mailed to the owners of real property within the boundaries of the district and the area proposed to be added in the manner provided in section 4 of this act. The notice shall include the following information:

(1) The time, date and place of the public hearing;

(2) The name of the proposed or established district;

(3) The boundaries by street location, or other readily identifiable means if no street location exists, of the real property to be added to the district, and a map showing the boundaries of the existing district and the real property proposed to be added to the district;

(4) A statement that a copy of the petition is available for review during regular business hours at the office of the municipal clerk; and

(5) A statement that all interested persons shall be given an opportunity to be heard at the public hearing.

For the purposes of this section, a proper petition is one which meets the requirements of section 3 of this act, which requirements shall only apply as to the real property proposed to be added.

3. A public hearing may be held to amend the petition and notice of such amendments given simultaneously with a public hearing to alter the district boundaries.

Section 6. 1. If a district is a political subdivision, the election and qualifications of members to the district's board of directors shall be in accordance with this section. If a district is a not for profit corporation, the election and qualification of members to its board of directors shall be in accordance with chapter 355, RSMo.

2. The district shall be governed by a board consisting of at least five but not more than thirty directors. Each director shall, during his or her entire term, be:

(1) At least eighteen years of age; and

(2) Be either:

(a) An owner, as defined in section 1 of this act, of real property or of a business

operating within the district; or

(b) A registered voter residing within the district; and

(3) Any other qualifications set forth in the petition establishing the district.

3. If the district is a political subdivision, the board shall be elected or appointed, as provided in the petition.

4. If the board is to be elected, the procedure for election shall be as follows:

(1) The municipal clerk shall specify a date on which the election shall occur which date shall be a Tuesday and shall not be earlier than the tenth Tuesday, and shall not be later than the fifteenth Tuesday, after the effective date of the ordinance adopted to establish the district;

(2) The election shall be conducted in the same manner as provided for in section 16 of this act, provided that the published notice of the election shall contain the information required by section 16 of this act for published notices, except that it shall state that the purpose of the election is for the election of directors, in lieu of the information related to taxes;

(3) Candidates shall pay the sum of five dollars as a filing fee and shall file not later than the second Tuesday after the effective date of the ordinance establishing the district with the municipal clerk a statement under oath that he or she possesses all of the qualifications set out in this section for a director. Thereafter, such candidate shall have his or her name placed on the ballot as a candidate for director;

(4) The director or directors to be elected shall be elected at large. The person receiving the most votes shall be elected to the position having the longest term; the person receiving the second highest votes shall be elected to the position having the next longest term and so forth. Of the initial directors, one-half shall serve for a two-year term, one-half shall serve for a four-year term and if an odd number of directors are elected, the director receiving the least number of votes shall serve for a two-year term, until such director's successor is elected;

(5) Successor directors shall be elected in the same manner as the initial directors. The date of the election of successor directors shall be specified by the municipal clerk which date shall be a Tuesday and shall not be later than the date of the expiration of the stated term of the expiring director. Each successor director shall serve a four-year term until such director's successor is elected. In the event of a vacancy on the board of directors, the remaining directors shall elect an interim director to fill the vacancy for the unexpired term.

5. If the petition provides that the board is to be appointed by the municipality, such appointments shall be made by the chief elected officer of the municipality with the consent of the governing body of the municipality. Of the initial appointed directors, one-half of the directors shall be appointed to serve for a two-year term and the remaining one-half shall be appointed to serve for a four-year term until such director's successor is appointed; provided that, if there is an odd number of directors, the last person appointed shall serve a two-year term. Successor directors shall be appointed in the same manner as the initial directors and shall serve for a term of four years.

6. If the petition states the names of the initial directors, those directors shall serve for the terms specified in the petition and successor directors shall be determined either by the above listed election process or appointment process as provided in the petition.

7. Any director may be removed for cause by a two-thirds affirmative vote of the directors of the board. Written notice of the proposed removal shall be given to all directors prior to action thereon.

8. The board is authorized to act on behalf of the district, subject to approval of qualified voters as required in this section; except that, all official acts of the board shall be by written resolution approved by the board.

Section 7. 1. Each district shall, with the advice and consent of the governing body of the municipality, have all the powers necessary to carry out and effectuate the purposes and provisions of sections 1 to 18 of this act including, but not limited to, the following:

(1) To adopt, amend and repeal bylaws, not inconsistent with sections 1 to 18 of this act, necessary or convenient to carry out the provisions of sections 1 to 18 of this act;

(2) To sue and be sued;

(3) To make and enter into contracts and other instruments, with public and private entities, necessary or convenient to exercise its powers and carry out its duties pursuant to sections 1 to 18 of this act;

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

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

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

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

(8) To levy and collect special assessments and taxes as provided in sections 1 to 18 of this act, however, no such assessments or taxes shall be levied on any property exempt from taxation pursuant to section 137.100(5), RSMo. Those exempt under section 137.100(5), RSMo, may voluntarily participate in the provisions of this act;

(9) If the district is a political subdivision, to levy real property taxes as provided in sections 1 to 18 of this act, however, no such tax shall be levied on any property exempt from taxation pursuant to section 137.100(5), RSMo. Those exempt under section 137.100(5), RSMo, may voluntarily participate in the provisions of this act;

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

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

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

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

(11) To borrow money from any public or private source and issue obligations and provide security for the repayment of the same as provided in sections 1 to 18 of this act;

(12) To loan money as provided in sections 1 to 18 of this act;

(13) To make expenditures, create reserve funds and use its revenues as necessary to carry out its powers or duties and the provisions and purposes of sections 1 to 18 of this act;

(14) To enter into one or more agreements with the municipality for the purpose

of abating any public nuisance within the boundaries of the district including, but not limited to, the stabilization, repair or maintenance or demolition and removal of buildings or structures, provided that the municipality has declared the existence of a public nuisance;

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

- (a) Pedestrian or shopping malls and plazas;
- (b) Parks, lawns, trees and any other landscape;
- (c) Convention centers, arenas, aquariums, aviaries and meeting facilities;
- (d) Sidewalks, streets, alleys, bridges, ramps, tunnels, overpasses and underpasses, traffic signs and signals, utilities, drainage, water, storm and sewer systems and other site improvements;
- (e) Parking lots, garages or other facilities;
- (f) Lakes, dams and waterways;
- (g) Streetscape, lighting, benches or other seating furniture, trash receptacles, marquees, awnings, canopies, walls and barriers;
- (h) Telephone and information booths, bus stop and other shelters, rest rooms and kiosks;
- (i) Paintings, murals, display cases, sculptures and fountains;
- (j) Music, news and child-care facilities; and
- (k) Any other useful, necessary or desired improvement;

(16) To dedicate to the municipality, with the municipality's consent, streets, sidewalks, parks and other real property and improvements located within its boundaries for public use;

(17) Within its boundaries and with the municipality's consent, to prohibit or restrict vehicular and pedestrian traffic and vendors on streets, alleys, malls, bridges, ramps, sidewalks and tunnels and to provide the means for access by emergency vehicles to or in such areas;

(18) Within its boundaries, to operate or to contract for the provision of music, news, child care or parking facilities, and buses, minibuses or other modes of transportation;

(19) Within its boundaries, to lease space for sidewalk cafe tables and chairs;

(20) Within its boundaries, to provide or contract for the provision of security personnel, equipment or facilities for the protection of property and persons;

(21) Within its boundaries, to provide or contract for cleaning, maintenance and other services to public and private property;

(22) To produce and promote any tourism, recreational or cultural activity or special event in the district by, but not limited to, advertising, decoration of any public place in the district, promotion of such activity and special events and furnishing music in any public place;

(23) To support business activity and economic development in the district including, but not limited to, the promotion of business activity, development and retention, and the recruitment of developers and businesses;

(24) To provide or support training programs for employees of businesses within the district;

- (25) To provide refuse collection and disposal services within the district;**
  - (26) To contract for or conduct economic, planning, marketing or other studies;**
- and**
- (27) To carry out any other powers set forth in sections 1 to 18 of this act.**

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

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

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

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

**4. Nothing in sections 1 to 18 of this act shall be construed to delegate to any district any sovereign right of municipalities to promote order, safety, health, morals and general welfare of the public, except those such police powers, if any, expressly delegated pursuant to sections 1 to 18 of this act.**

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

**Section 8. 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 day of each fiscal year, the board shall submit to the governing body of the city a proposed 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 proposed budget, but if such comments are given, the governing body of the municipality shall 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 recommendations.**

**3. The board shall hold an annual meeting and adopt an annual budget no later than thirty 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 submit a report to the municipal clerk and the Missouri department of economic development stating the services provided, revenues collected and expenditures made by the district during 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.

**Section 9. 1.** Each ordinance establishing a district shall set forth the term for the existence of such district which term may be defined as a minimum, maximum or definite number of years.

**2.** Upon receipt by the municipal clerk of a proper petition and after notice and a public hearing, any district may be terminated by ordinance adopted by the governing body of the municipality prior to the expiration of its term if the district has no outstanding obligations. A copy of such ordinance shall be given to the department of economic development.

**3.** A petition for the termination of a district is proper if:

- (1)** It names the district to be terminated;
- (2)** It has been signed by owners of real property collectively owning more than fifty percent by assessed value of real property within the boundaries of the district;
- (3)** It has been signed by more than fifty percent per capita of owners of real property within the boundaries of the district;

**(4)** It contains a plan for dissolution and distribution of the assets of the district; and

**(5)** The signature block signed by each petitioner is in the form set forth in subdivision (4) of subsection 2 of section 3 of this act.

**4.** The public hearing required by this section shall be held and notice of such public hearing shall be given in the manner set forth in section 4 of this act. The notice shall contain the following information:

- (1)** The date, time and place of the public hearing;
- (2)** A statement that a petition requesting the termination of the district has been filed with the municipal clerk;

**(3)** A statement that a copy of the petition is available at the office of the municipal clerk during regular business hours; and

**(4)** A statement that all interested parties will be given an opportunity to be heard.

**5.** Upon expiration or termination of a district, the assets of such district shall be distributed in accordance with the plan for dissolution as approved by ordinance. Every effort should be made by the municipality for the assets of the district to be distributed in such a manner so as to benefit the real property which was formerly a part of the district.

**Section 10. 1.** A district may, at any time, issue obligations for the purpose of carrying out any of its powers, duties or purposes. Such obligations shall be payable out of all, part or any combination of the revenues of the district and may be further secured by all or any part of any property or any interest in any property by mortgage or any other security interest granted. Such obligations shall be authorized by resolution of the district, and if issued by the district, shall bear such date or dates, and shall mature at such time or times, but not more than twenty years from the date of issuance, as the resolution shall specify. Such obligations shall be in such denomination, bear interest at such rate or rates, be in such form, be payable in such place or places, be subject to redemption as such resolution may provide and be sold at either public or private sale at such prices as the district shall determine subject to the provisions of section 108.170, RSMo. The district may also issue such obligations to refund, in whole or in part, obligations previously issued



by the district.

2. No obligation issued by a district that is a political subdivision shall constitute an indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction. No such obligation shall be a general obligation of the district, municipality, county, state of Missouri or any political subdivision thereof, and shall not be payable out of any funds or properties other than those specifically pledged as security therefor, unless such obligation is issued as an indebtedness of the district with the approval of the qualified voters as required by the constitution in which instance the obligation shall be a general obligation of the district only.

3. Obligations issued pursuant to this section by a district which is a political subdivision, the interest thereon, and any proceeds from such obligations shall be exempt from taxation in the state of Missouri.

4. The municipality, any land clearance for redevelopment authority, port authority, tax increment financing commission, industrial development authority or planned industrial expansion authority of the municipality may, pursuant to a cooperative agreement with a district, issue obligations and loan the proceeds of such obligations to the district for the purpose of carrying out the powers, duties or purposes of the district.

Section 11. 1. A district may use any one or more of the assessments, taxes, or other funding methods specifically authorized pursuant to sections 1 to 18 of this act to provide funds to accomplish any power, duty or purpose of the district provided that, no district which is located in a city not within a county and which includes any real property that is also included in a special business district established pursuant to sections 71.790 to 71.808, RSMo, prior to the establishment of the district pursuant to sections 1 to 18 of this act shall have the authority to impose any such tax or assessment pursuant to sections 1 to 18 of this act until such time as all taxes or special assessments imposed pursuant to sections 71.790 to 71.808, RSMo, on any real property located in such special business district or on any business or individual doing business in such special business district have been repealed in accordance with this subsection. The governing body of a special business district which includes real property located in a district established pursuant to sections 1 to 18 of this act shall have the power to repeal all taxes and assessments imposed pursuant to sections 71.790 to 71.808, RSMo, and such power may be exercised by the adoption of a resolution by the governing body of such special business district. Upon the adoption of such resolution, such special business district shall no longer have the power to impose any tax or special assessment pursuant to sections 71.790 to 71.808, RSMo, until such time as the district or districts established pursuant to sections 1 to 18 of this act which include any real property that is also included in such special business district have been terminated or have expired pursuant to sections 1 to 18 of this act.

2. A district may establish different classes of real property within the district for purposes of special assessments. The levy rate for special assessments may vary for each class or subclass based on the level of benefit derived from services or improvements funded, provided or caused to be provided by the district.

3. Notwithstanding anything in sections 1 to 18 of this act to the contrary, any district which is not a political subdivision shall have no power to levy any tax but shall have the power to levy special assessments in accordance with section 13 of this act.

Section 12. 1. Any municipality in which any part of a district is located may, by

ordinance, establish a community improvement district municipal fund in the municipality's treasury.

2. This fund may be used to:

(1) Pay the costs of planning, administration and any improvement authorized in sections 1 to 18 of this act;

(2) Prepare preliminary plans, studies and engineering reports to determine the feasibility of a public improvement or service; or

(3) If ordered by the governing body of the municipality, pay the initial cost of the public improvement or service until obligations have been issued and sold.

3. The fund is not required to be budgeted for expenditure during any year, but the amount of the fund must be stated in the municipality's annual budget. The amount of the fund shall be based on an annual service plan that describes the public improvements and services for the fiscal year.

4. A grant-in-aid or contribution made to the municipality for the planning and preparation of plans for public improvement or service authorized pursuant to sections 1 to 18 of this act may be credited to the community improvement district municipal fund.

5. Other political subdivisions may enter into cooperative agreements with the district to make payments in lieu of taxes.

Section 13. 1. A district may levy by resolution one or more special assessments against real property within its boundaries, upon receipt of and in accordance with a petition signed by:

(1) Owners of real property collectively owning more than fifty percent by assessed value of real property within the boundaries of the district; and

(2) More than fifty percent per capita of the owners of all real property within the boundaries of the district.

2. The special assessment petition shall be in substantially the following form:

The . . . . . (insert name of district) Community Improvement District ("District") shall be authorized to levy special assessments against real property benefitted within the District for the purpose of providing revenue for . . . . . (insert general description of specific service and/or projects) in the district, such special assessments to be levied against each tract, lot or parcel of real property listed below within the district which receives special benefit as a result of such service and/or projects, the cost of which shall be allocated among this property by . . . . . (insert method of allocation, e.g., per square foot of property, per square foot on each square foot of improvement, or by abutting foot of property abutting streets, roads, highways, parks or other improvements, or any other reasonable method) in an amount not to exceed . . . . . dollars per (insert unit of measure). Such authorization to levy the special assessment shall expire on . . . . . (insert date). The tracts of land located in the district which will receive special benefit from this service and/or projects are: . . . . . (list of properties by common addresses and legal descriptions).

3. The method for allocating such special assessments set forth in the petition may be any reasonable method which results in imposing assessments upon real property benefitted in relation to the benefit conferred upon each respective tract, lot or parcel of real property and the cost to provide such benefit.

4. By resolution of the board, the district may levy a special assessment rate lower

than the rate ceiling set forth in the petition authorizing the special assessment and may increase such lowered special assessment rate to a level not exceeding the special assessment rate ceiling set forth in the petition without further approval of the real property owners; provided that a district imposing a special assessment pursuant to this section may not repeal or amend such special assessment or lower the rate of such special assessment if such repeal, amendment or lower rate will impair the district's ability to pay any liabilities that it has incurred, money that it has borrowed or obligations that it has issued.

5. Each special assessment which is due and owing shall constitute a perpetual lien against each tract, lot or parcel of property from which it is derived. Such lien may be foreclosed in the same manner as any other special assessment lien as provided in section 88.861, RSMo.

6. A separate fund or account shall be created by the district for each special assessment levied and each fund or account shall be identifiable by a suitable title. The proceeds of such assessments shall be credited to such fund or account. Such fund or account shall be used solely to pay the costs incurred in undertaking the specified service or project.

7. Upon completion of the specified service or project or both, the balance remaining in the fund or account established for such specified service or project or both shall be returned or credited against the amount of the original assessment of each parcel of property pro rata based on the method of assessment of such special assessment.

8. Any funds in a fund or account created pursuant to this section which are not needed for current expenditures may be invested by the board in accordance with applicable laws relating to the investment of funds of the city in which the district is located.

9. The authority of the district to levy special assessments shall be independent of the limitations and authorities of the municipality in which it is located; specifically, the provisions of section 88.812, RSMo, shall not apply to any district.

Section 14. 1. The district may levy by resolution a tax upon real property located within the boundaries of the district; provided however, no such resolution shall be final nor shall it take effect until the qualified voters approve, by mail-in ballot, the tax which the resolution seeks to impose. If a majority of the votes cast by the qualified voters voting on the proposed tax are in favor of the tax, then the resolution and any amendments thereto shall be in effect. If a majority of the votes cast by the qualified voters voting are opposed to the tax, then the resolution seeking to levy the tax shall be deemed to be null and void.

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

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

Shall the . . . . . (insert name of district) Community Improvement District ("District") impose a real property tax upon (all real property) within the district at a rate of not more than . . . . . (insert amount) dollars per hundred dollars assessed valuation for a period of . . . . . (insert number) years from the date on which such tax is first imposed for the purpose of providing revenue for . . . . . (insert general

description of purpose) in the district?

G YES

G NO

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

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

Section 15. 1. The county collector of each county in which the district is located shall collect the real property taxes and special assessments made upon all real property within that county and district, in the same manner as other real property taxes are collected. If the special assessment is based on something other than the assessed value of real property, the district shall provide the information on which such special assessment is based for all applicable real property.

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

Section 16. 1. Notwithstanding the provisions of chapter 115, RSMo, an election for real estate tax pursuant to sections 1 to 18 of this act shall be conducted in accordance with the provisions of this section.

2. After the board has passed a resolution for the levy of real property tax and a vote of the qualified voters is required, the board shall provide written notice of such resolution to the election authority. The board shall be entitled to rescind such resolution provided that written notice of such rescission is delivered to the election authority prior to the time the election authority mails the ballots to the qualified voters.

3. Upon receipt of written notice of a district's resolution for the levy of a real property tax the election authority shall:

(1) Specify a date upon which the election shall occur which date shall be a Tuesday, and shall be not earlier than the tenth Tuesday, and not later than the fifteenth Tuesday, after the date of the board's passage of the resolution and shall not be on the same day as an election conducted pursuant to the provisions of chapter 115, RSMo;

(2) Publish notice of the election in a newspaper of general circulation within the municipality two times. The first publication date shall be more than sixty days prior to the date of the election and the second publication date shall be not more than thirty days and not less than ten days prior to the date of the election. The published notice shall

include, but not be limited to, the following information:

- (a) The name and general boundaries of the district;
- (b) The type of tax proposed, its rate, purpose and duration;
- (c) The date the ballots for the election shall be mailed to qualified voters;
- (d) The date of the election;
- (e) Qualified voters will consist of:

- a. Such persons who reside within the district and who are registered voters pursuant to the records of the election authority as of the thirtieth day prior to the date of the election; or

- b. If no such registered voters reside in the district, the owners of real property located within the district pursuant to the tax records of the county clerk for real property as of the thirtieth day prior to the date of the election;

- (f) A statement that persons residing in the district shall register to vote with the election authority on or before the thirtieth day prior to the date of the election in order to be a qualified voter for purposes of the election;

- (g) A statement that the ballot must be returned to the election authority's office in person, or by depositing the ballot in the United States mail addressed to the election authority's office and postmarked, not later than the date of the election; and

- (h) A statement that any qualified voter that did not receive a ballot in the mail or lost the ballot received in the mail may pick up a mail-in ballot at the election authority's office, specifying the dates and time such ballot will be available and the location of the election authority's office;

(3) The election authority shall mail to each qualified voter not more than fifteen days and not less than ten days prior to the date of the election together with a notice containing substantially the same information as the published notice and a return addressed envelope directed to the election authority's office with a sworn affidavit on the reverse side of such envelope for the qualified voter's signature. For purposes of mailing ballots to real property owners only one ballot shall be mailed per capita at the address shown on the records of the county clerk. Such affidavit shall be in substantially the following form:

**FOR REGISTERED VOTERS:**

I hereby declare under penalties of perjury that I reside in the .....  
 (insert name) Community Improvement District and I am a registered voter and qualified to vote in this election.

.....

Qualified Voter's Signature

.....

Printed Name of Qualified Voter

**FOR REAL PROPERTY OWNERS:**

I hereby declare under penalty of perjury that I am the owner of real property in the ..... (insert name) Community Improvement District and qualified to vote in this election, or authorized to affix my signature on behalf of the owner (named below) of real property in the ..... (insert name) Community Improvement District which is qualified to vote in this election.

.....

Signature

.....

Print Name of Real Property Owner

Unofficial

If Signer is Different from Owner:

Name of Signer: .....

State Basis of Legal Authority to Sign: .....

All persons or entities having a fee ownership in the property shall sign the ballot. Additional signature pages may be affixed to this ballot to accommodate all required signatures.

Bill

4. Each qualified voter shall have one vote. Each voted ballot shall be signed with the authorized signature.

5. Mail-in ballots shall be returned to the election authority's office in person, or by depositing the ballot in the United States mail addressed to the election authority's office and postmarked, no later than the date of the election. The election authority shall transmit all voted ballots to a team of judges of not less than four, with an equal number from each of the two major political parties. The judges shall be selected by the municipal clerk from lists compiled by the election authority. Upon receipt of the voted ballots, the judges shall verify the authenticity of the ballots, canvass the votes, and certify the results. Certification by the election judges shall be final and shall be immediately transmitted to the election authority. Any qualified voter who voted in such election may contest the result in the same manner as provided in chapter 115, RSMo.

6. The results of the election shall be entered upon the records of the election authority and a certified copy of the election results shall be filed with the municipal clerk, who shall cause the same to be entered upon the records of the municipal clerk.

7. The district shall reimburse the election authority for the costs it incurs to conduct an election under this section.

Section 17. No lawsuit to set aside a district established, or a special assessment or a tax levied under sections 2 to 18 of this act or to otherwise question the validity of the proceedings related thereto shall be brought after the expiration of ninety days from the effective date of the ordinance establishing such district in question or the effective date

**of the resolution levying such special assessment or tax in question.**

**Section 18. No municipality as defined in section 1, paragraph 2, subsection (9) shall establish, mandate or otherwise require a minimum wage that exceeds the state minimum wage. The provisions of sections 1 to 17 of this act shall apply to any city located in a county of the first or second classification and to any city not located within a county.**

[67.1400. 1. Sections 67.1400 to 67.1560 are known and may be cited as the "Community Improvement District Act".

2. The following words and terms, as used in sections 67.1400 to 67.1560, mean:

- (1) "Act", sections 67.1400 to 67.1560;
- (2) "Approval" or "approve", for purposes of elections under sections 67.1400 to 67.1560, a simple majority of those qualified voters voting in the election;
- (3) "Assessed value", the value of real property as reflected on the rolls of the county in which the property is located as of the last completed assessment;
- (4) "Blighted area", an area which:
  - (a) By reason of the predominance of defective or inadequate street layout, 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; or
  - (b) Has been declared blighted or found to be a blighted area pursuant to the revised statutes of Missouri, including but not limited to chapter 353, RSMo, the real property tax increment allocation redevelopment act, sections 99.800 to 99.865, RSMo, or the land clearance for redevelopment authority law, sections 99.300 to 99.715, RSMo;
- (5) "Board", if the district is a political subdivision the board of directors of the district, or if the district is a not for profit corporation the board of directors of such corporation;
- (6) "Director of revenue", the director of revenue of the state of Missouri;
- (7) "District", a community improvement district;
- (8) "Election authority", the election authority having jurisdiction over the area in which the boundaries of the district are located pursuant to chapter 115, RSMo;
- (9) "Municipal clerk", the clerk of the municipality;
- (10) "Municipality", the village, town or city in which the district is located or the county, in the event the district is located in an unincorporated area;
- (11) "Obligations", bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued by a district to carry out any of its powers, duties or purposes or to refund outstanding obligations;
- (12) "Owner", for real property, the individual or individuals or entity or entities who own the fee of real property or their legally authorized representative; for business organizations and other entities, the owner shall be deemed to be the individual which is legally authorized to represent the entity in regard to the district;
- (13) "Per capita" shall mean that one head count shall be applied to each individual, entity or group of individuals and/or entities having fee ownership of real property within the district whether such individual, entity or group owns one or more parcels of real property in the district as joint tenants, tenants in common, tenants by the entirety or tenants in partnership;
- (14) "Petition" shall mean a petition to establish a district as it may be amended in

accordance with the requirements of section 67.1420;

(15) "Qualified voters", for purposes of elections for approval of real property taxes or business license taxes, (a) registered voters; or (b) if no registered voters reside in the district, the owners of real property per capita located within the district per the county tax rolls for real property as of the thirtieth day prior to the date of the applicable election; and for purposes of the election of directors of the board, registered voters and owners of real property within the district per the county tax rolls for real property as of the thirtieth day prior to the date of the applicable election; and

(16) "Registered voters", persons who reside within the district and who are qualified and register to vote pursuant to chapter 115, RSMo, pursuant to the records of the election authority as of the thirtieth day prior to the date of the applicable election.

3. The provisions of sections 67.1400 to 67.1560 shall only apply to a city located in more than three counties with a population greater than four hundred thousand.]

[67.1410. 1. The governing body of any municipality may establish one or more districts within its boundaries in the manner provided in sections 67.1400 to 67.1560.

2. The boundaries of the district shall be contiguous.

3. Each district shall be either a political subdivision of the state or a not for profit corporation organized pursuant to chapter 355, RSMo.

4. If a proposed district is to be a not for profit corporation, such corporation shall be organized and in good standing under the provisions of chapter 355, RSMo, at the time the petition for the proposed district is filed with the city clerk.

5. The name of the district shall include "community improvement district" and if it is a not for profit corporation, it shall be the same as the name of the not for profit corporation.]

[67.1420. 1. Upon receipt of a proper petition filed with its municipal clerk, the governing body of the municipality in which the proposed district is located shall hold a public hearing in accordance with section 67.1430 and may adopt an ordinance to establish the proposed district.

2. A petition is proper if, based on the tax rolls of the county clerk as of the time of filing the petition with the municipal clerk, it meets the following requirements:

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

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

(3) It contains the following information:

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

(b) The name of the proposed district;

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

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

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



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

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

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

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

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

(k) The maximum rates of business licenses and real property taxes that may be submitted to the qualified voters for approval;

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

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

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

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

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

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

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

Name of owner: .....

Owner's telephone number and mailing address: .....

If signer is different from owner:

Name of signer: .....

State basis of legal authority to sign: .....

Signer's telephone number and mailing address: .....

If owner is an individual, state if owner is single or married: .....

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

Map and parcel number and assessed value of each tract of real property within the proposed district owned: .....

By executing this petition, the undersigned represents and warrants that he or she is legally authorized to execute this petition on behalf of the property owner named immediately above. .

.....

Signature

Date

STATE OF MISSOURI )

) ss.

COUNTY OF . . . . .)

Before me personally appeared . . . . . to me personally known to be the individual described in and who executed the foregoing instrument.

WITNESS my hand and official seal this . . . . . day of . . . . .

.....

Notary Public

My Commission Expires: .....

3. Upon receipt of a petition, the municipal clerk shall, within a reasonable time not to exceed ninety days after receipt of the petition, review and determine whether the petition substantially complies with the requirements of subsection 2 of this section. In the event the municipal clerk receives a petition which does not meet the requirements of subsection 2 of this section, the municipal clerk shall, within a reasonable time, return the petition to the submitting party by hand delivery, first class mail, postage prepaid, or other efficient means of return and shall specify which requirements have not been met.

4. After the close of the public hearing required under subsection 1 of this section, the municipality may adopt an ordinance approving the petition and establishing the district as set forth in the petition subject to the authorities and limitations contained in the petition and may determine, if requested in the petition, whether the district, or any legally described portion thereof, constitutes a blighted area.

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

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

(2) At any time after the public hearing and prior to the adoption of an ordinance establishing the proposed district; provided that, notice of the amendments to the petition is given by publishing the notice in a newspaper of general circulation within the municipality and by sending the notice via registered certified United States mail with a return receipt attached to the address of record of each owner of record of real property within the boundaries of the proposed district. Such notice shall be published and mailed not less than ten days prior to the adoption of the ordinance establishing the district;

(3) At any time after the adoption of any ordinance establishing the district a public hearing on the amended petition is held and notice of the public hearing is given in the manner provided in section 67.1430 and the governing body of the municipality in which the district is located adopts an ordinance approving the amended petition after the public hearing is held.

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

[67.1430. 1. Within a reasonable time, not to exceed forty-five days, after the receipt of

the verified petition from the municipal clerk, the governing body shall hold or cause to be held a public hearing on the establishment of the proposed district and shall give notice of the public hearing in the manner provided in subsection 3 of this section. All reasonable protests, objections and endorsements shall be heard at the public hearing.

2. The public hearing may be continued to another date without further notice other than a motion to be entered on the minutes fixing the date, time and place of the continuance of the public hearing.

3. Notice of the public hearing shall be given by publication and mailing. Notice by publication shall be given by publication in a newspaper of general circulation within the municipality once a week for two consecutive weeks prior to the week of the public hearing. Notice by mail shall be given not less than fifteen days prior to the public hearing by sending the notice via registered or certified United States mail with a return receipt attached to the address of record of each owner of record of real property within the boundaries of the proposed district. The published and mailed notices shall include the following information:

- (1) The date, time and place of the public hearing;
- (2) A statement that a petition for the establishment of a district has been filed with the city clerk;
- (3) The boundaries of the proposed district by street location, or other readily identifiable means if no street location exists; and a map illustrating the proposed boundaries;
- (4) A statement that a copy of the petition is available for review at the office of the municipal clerk during regular business hours; and
- (5) A statement that all interested persons will be given an opportunity to be heard at the public hearing.]

[67.1440. 1. Upon the written request of any real property owner within the district, the governing body of the municipality may hold a public hearing for the removal of real property from a district and such real property may be removed from such district by ordinance provided that:

- (1) The board consents to the removal of such property;
- (2) The district can meet its obligations without the revenues generated by or on the real property proposed to be removed; and
- (3) The public hearing is conducted in the same manner as required by section 67.1430 with notice of the hearing given in the same manner as required by section 67.1430 and such notice shall include:
  - (a) The date, time and place of the public hearing;
  - (b) The name of the district;
  - (c) The boundaries by street location, or other readily identifiable means if no street location exists of the real property proposed to be removed from the district, and a map illustrating the boundaries of the existing district and the real property proposed to be removed; and
  - (d) A statement that all interested persons will be given an opportunity to be heard at the public hearing.

2. With the consent of the board, real property may be added to the district by ordinance upon receipt of a proper petition and after a public hearing is held by the governing body of the municipality on the addition of the real property in the manner provided in section 67.1430. Notice of the public hearing shall be given by publication and mailed to the owners of real

property within the boundaries of the district and the area proposed to be added in the manner provided in section 67.1430. The notice shall include the following information:

- (1) The time, date and place of the public hearing;
- (2) The name of the proposed or established district;
- (3) The boundaries by street location, or other readily identifiable means if no street location exists, of the real property to be added to the district, and a map showing the boundaries of the existing district and the real property proposed to be added to the district;
- (4) A statement that a copy of the petition is available for review during regular business hours at the office of the municipal clerk; and
- (5) A statement that all interested persons shall be given an opportunity to be heard at the public hearing.

For the purposes of this section, a proper petition is one which meets the requirements of section 67.1420, which requirements shall only apply as to the real property proposed to be added.

3. A public hearing may be held to amend the petition and notice of such amendments given simultaneously with a public hearing to alter the district boundaries.]

[67.1450. 1. If a district is a political subdivision, the election and qualification of members to the district's board of directors shall be in accordance with this section. If a district is a not for profit corporation, the election and qualification of members to its board of directors shall be in accordance with chapter 355, RSMo.

2. The district shall be governed by a board consisting of at least five but not more than thirty directors. Each director shall, during his or her entire term, be:

- (1) At least eighteen years of age;
- (2) Either be:
  - (a) An owner, as defined herein, of real property or of a business operating within the district; or
  - (b) A registered voter residing within the district; and
- (3) Any other qualifications set forth in the petition establishing the district.

3. If the district is a political subdivision, the board shall be elected or appointed, as provided in the petition.

4. If the board is to be elected, the procedure for election shall be as follows:

(1) The municipal clerk shall specify a date on which the election shall occur which date shall be a Tuesday and shall not be earlier than the tenth Tuesday, and shall not be later than the fifteenth Tuesday, after the effective date of the ordinance adopted to establish the district;

(2) The election shall be conducted in the same manner as provided for in section 67.1560, provided that the published notice of the election shall contain the information required by section 67.1560 for published notices, except that it shall state that the purpose of the election is for the election of directors, in lieu of the information related to taxes;

(3) Candidates shall pay the sum of five dollars as a filing fee and shall file not later than the second Tuesday after the effective date of the ordinance establishing the district with the municipal clerk of the county in which the district is located a statement under oath that he or she possesses all of the qualifications set out in this section for a director. Thereafter, such candidate shall have his or her name placed on the ballot as a candidate for director;

(4) The director or directors to be elected shall be elected at large. The person receiving the most votes shall be elected to the position having the longest term; the person receiving the

second highest votes shall be elected to the position having the next longest term, and so forth. Of the initial directors, one-half shall serve for a two-year term, one-half shall serve for a four-year term and if an odd number of directors are elected, the director receiving the least number of votes shall serve for a two-year term, until such director's successor is elected;

(5) Successor directors shall be elected in the same manner as the initial directors. The date of the election of successor directors shall be specified by the municipal clerk which date shall be a Tuesday and shall not be later than the date of the expiration of the stated term of the expiring director. Each successor director shall serve a four-year term until such director's successor is elected. In the event of a vacancy on the board of directors, the remaining directors shall elect an interim director to fill the vacancy for the unexpired term.

5. If the petition provides that the board is to be appointed by the municipality, such appointments shall be made by the chief elected officer of the municipality with the consent of the governing body of the municipality. Of the initial appointed directors, one-half of the directors shall be appointed to serve for a two-year term and the remaining one-half shall be appointed to serve for a four-year term until such director's successor is appointed; provided, however, if there is an odd number of directors, the last person appointed shall serve a two-year term. Successor directors shall be appointed in the same manner as the initial directors and shall serve for a term of four years.

6. If the petition states the names of the initial directors, those directors shall serve for the terms specified in the petition and successor directors shall be determined either by the above listed election process or appointment process as provided in the petition.

7. Any director may be removed for cause by a two-thirds affirmative vote of the directors of the board. Written notice of the proposed removal shall be given to all directors prior to action thereon.

8. The board is authorized to act on behalf of the district, subject to approval of qualified voters as required herein; however all official acts of the board shall be by written resolution approved by the board.]

[67.1460. 1. Each district shall have all the powers necessary to carry out and effectuate the purposes and provisions of sections 67.1400 to 67.1560 including, without limitation, the following powers:

(1) To adopt, amend and repeal bylaws, not inconsistent with sections 67.1400 to 67.1560, necessary or convenient to carry out the provisions of sections 67.1400 to 67.1560;

(2) To sue and be sued;

(3) To make and enter into contracts and other instruments, with public and private entities, necessary or convenient to exercise its powers and carry out its duties under sections 67.1400 to 67.1560;

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

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

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

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

(8) To levy and collect special assessments as provided in sections 67.1400 to 67.1560;

(9) If the district is a political subdivision, to levy real property taxes and business license taxes as provided in sections 67.1400 to 67.1560;

(10) To fix, charge and collect fees, rents and other charges for use of any of its real or personal property or any interest in such property;

(11) To borrow money from any public or private source and issue obligations and provide security for the repayment of the same as provided in sections 67.1400 to 67.1560;

(12) To loan money as provided in sections 67.1400 to 67.1560;

(13) To make expenditures, create reserve funds and use its revenues as necessary to carry out its powers or duties and the provisions and purposes of sections 67.1400 to 67.1560;

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

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

(a) Pedestrian or shopping malls and plazas;

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

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

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

(e) Parking lots, garages or other facilities;

(f) Lakes, dams and waterways;

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

(h) Telephone and information booths, bus stops and other shelters, rest rooms, and kiosks;

(i) Paintings, murals, display cases, sculptures, and fountains;

(j) Music, news and child care facilities; and

(k) Any other useful, necessary or desired improvement;

(16) To dedicate to the municipality, with the municipality's consent, streets, sidewalks, parks and other real property and improvements located within its boundaries for public use;

(17) Within its boundaries and with the municipality's consent, to prohibit or restrict vehicular and pedestrian traffic and vendors on streets, alleys, malls, bridges, ramps, sidewalks and tunnels and to provide the means for access by emergency vehicles to or in such areas;

(18) Within its boundaries, to operate or to contract for the provision of music, news, child care or parking facilities, and buses, minibuses or other modes of transportation;

(19) Within its boundaries, to lease space for sidewalk cafe tables and chairs;

(20) Within its boundaries, to provide or contract for the provision of security personnel, equipment or facilities for the protection of property and persons;

(21) Within its boundaries, to provide or contract for cleaning, maintenance and other services to public and private property;

(22) To produce and promote any tourism, recreational or cultural activity or special event in the district by, but not limited to, advertising, decoration of any public place in the district, promotion of such activity and special events, and furnishing music in any public place;

(23) To support business activity and economic development in the district, including but

not limited to the promotion of business activity, development and retention, and the recruitment of developers and businesses;

(24) To provide or support training programs for employees of businesses within the district;

(25) To provide refuse collection and disposal services within the district;

(26) To contract for or conduct economic, planning, marketing or other studies; and

(27) To carry out any other powers set forth in sections 67.1400 to 67.1560.

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

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

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

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

4. Nothing in sections 67.1400 to 67.1560 shall be construed to delegate to any district any sovereign right of municipalities to promote order, safety, health, morals and general welfare of the public, except those such police powers, if any, expressly delegated pursuant to sections 67.1400 to 67.1560.

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

[67.1470. 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 day of each fiscal year, the board shall submit to the governing body of the city a proposed 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 proposed budget, but if such comments are given, the governing body of the municipality shall 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 recommendations.

3. The board shall hold an annual meeting and adopt an annual budget no later than the thirty 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 submit a report to the municipal clerk and the Missouri department of economic development stating the services provided, revenues collected and expenditures made by the district during

such fiscal year, district indebtedness 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.]

[67.1480. 1. Each ordinance establishing a district shall set forth the term for the existence of such district which term may be defined as a minimum, maximum, or definite number of years.

2. Upon receipt by the municipal clerk of a proper petition and after notice and a public hearing, any district may be terminated by ordinance prior to the expiration of its term if the district has no outstanding obligations. A copy of such ordinance shall be given to the department of economic development.

3. A petition for the termination of a district is proper if:

- (1) It names the district to be terminated;
- (2) It has been signed by owners of real property collectively owning more than fifty percent by assessed value of real property within the boundaries of the district;
- (3) It has been signed by more than fifty percent per capita of owners of real property within the boundaries of the district;
- (4) It contains a plan for dissolution and distribution of the assets of the district; and
- (5) The signature block signed by each petitioner is in the form set forth in subdivision (4) of subsection 2 of section 67.1420.

4. The public hearing required by this section shall be held and notice of such public hearing shall be given in the manner set forth in section 67.1430. The notice shall contain the following information:

- (1) The date, time and place of the public hearing;
- (2) A statement that a petition requesting the termination of (insert district name) district has been filed with the municipal clerk;
- (3) A statement that a copy of the petition is available at the office of the municipal clerk during regular business hours; and
- (4) A statement that all interested parties will be given an opportunity to be heard.

5. Upon expiration or termination of a district, the assets of such district shall be distributed in accordance with the plan for dissolution as approved by ordinance. Every effort should be made by the municipality for the assets of the district to be distributed in such a manner so as to benefit the real property which was formerly a part of the district.]

[67.1490. 1. A district may, at any time, issue obligations for the purpose of carrying out any of its powers, duties or purposes. Such obligations shall be payable out of all, part, or any combination of the revenues of the district and may be further secured by all or any part of any property or any interest in any property by mortgage or any other security interest granted. Such obligations shall be authorized by resolution of the district, and if issued by the district, shall bear such date or dates, and shall mature at such time or times, but not more than twenty years from the date of issuance, as the resolution shall specify. Such obligations shall be in such denomination, bear interest at such rate or rates, be in such form, be payable in such place or places, be subject to redemption as such resolution may provide and be sold at either public or private sale at such prices as the district shall determine subject to the provisions of section 108.170, RSMo. The district may also issue such obligations to refund, in whole or in part, obligations previously issued by the district.



2. No obligation issued by a district that is a political subdivision shall constitute an indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction. No such obligation shall be a general obligation of the district, municipality, county, state of Missouri or any political subdivision thereof, and shall not be payable out of any funds or properties other than those specifically pledged as security therefor, unless such obligation is issued as an indebtedness of the district with the approval of the qualified voters as required by the constitution in which instance the obligation shall be a general obligation of the district only.

3. Obligations issued pursuant to this section by a district which is a political subdivision, the interest thereon, and any proceeds from such obligations shall be exempt from taxation in the state of Missouri.

4. The municipality, any land clearance for redevelopment authority, port authority, tax increment financing commission, industrial development authority or planned industrial expansion authority of the municipality may, pursuant to a cooperative agreement with a district, issue obligations and loan the proceeds of such obligations to the district for the purpose of carrying out the powers, duties or purposes of the district.]

[67.1500. 1. A district may use any one or more of the assessments, taxes, or other funding methods specifically authorized pursuant to sections 67.1400 to 67.1560 to provide funds to accomplish any power, duty or purpose of the district.

2. A district may establish different classes of real property within the district for purposes of special assessments. The levy rate for special assessments may vary for each class or subclass based on the level of benefit derived from services and/or improvements funded, provided or caused to be provided by the district.

3. Notwithstanding anything in sections 67.1400 to 67.1560 to the contrary, any district which is not a political subdivision shall have no power to levy any tax but shall have the power to levy special assessments in accordance with section 67.1520.]

[67.1510. 1. Any municipality in which any part of a district is located may, by ordinance, establish a community improvement district municipal fund in the municipality's treasury.

2. This fund may be used to:

(1) Pay the costs of planning, administration, and any improvement authorized in sections 67.1400 to 67.1560;

(2) Prepare preliminary plans, studies, and engineering reports to determine the feasibility of a public improvement or service; or

(3) If ordered by the governing body of the municipality, pay the initial cost of the public improvement or service until obligations have been issued and sold.

3. The fund is not required to be budgeted for expenditure during any year, but the amount of the fund shall be stated in the municipality's annual budget. The amount of the fund shall be based on an annual service plan that describes the public improvements and services for the fiscal year.

4. A grant-in-aid or contribution made to the municipality for the planning and preparation of plans for public improvement or service authorized pursuant to sections 67.1400 to 67.1560 may be credited to the community improvement district municipal fund.

5. Other political subdivisions may enter into cooperative agreements with the district to make payments in lieu of taxes.]

[67.1520. 1. A district may levy by resolution one or more special assessments against

real property within its boundaries, upon receipt of and in accordance with a petition signed by:

(1) Owners of real property collectively owning more than fifty percent by assessed value of real property within the boundaries of the district; and

(2) More than fifty percent per capita of the owners of all real property within the boundaries of the district.

2. The special assessment petition shall be in substantially the following form:

The . . . . . (insert name of district) Community Improvement District ("district") shall be authorized to levy special assessments against real property benefited within the District for the purpose of providing revenue for . . . . . (insert general description of specific service and/or project(s)) in the district, said special assessments to be levied against each tract, lot or parcel of real property listed below within the district which receives special benefit as a result of such service and/or project(s), the cost of which shall be allocated among this property by . . . . . (insert method of allocation, e.g., per square foot of property, per square foot on each square foot of improvement, or by abutting foot of property abutting streets, roads, highways, parks, or other improvements, or any other reasonable method) in an amount not to exceed . . . . . dollars per . . . . . (insert unit of measure). Such authorization to levy the special assessment shall expire on . . . . . (insert date). The tracts of land located in the district which will receive special benefit from this service and/or project(s) are: (list of properties by common addresses and legal descriptions).

3. The method for allocating such special assessments set forth in the petition may be any reasonable method which results in imposing assessments upon real property benefited in relation to the benefit conferred upon each respective tract, lot or parcel of real property and the cost to provide such benefit.

4. By resolution of the board, the district may levy a special assessment rate lower than the rate ceiling set forth in the petition authorizing the special assessment and may increase that lowered special assessment rate to a level not exceeding the special assessment rate ceiling set forth in the petition without further approval of the real property owners; provided that a district imposing a special assessment pursuant to this section may not repeal or amend such special assessment or lower the rate of such special assessment if such repeal, amendment or lower rate will impair the district's ability to pay any liabilities that it has incurred, money that it has borrowed or obligations that it has issued.

5. Each special assessment which is due and owing shall constitute a personal liability against the property owner and a perpetual lien against each tract, lot or parcel of property from which it is derived. Such lien may be foreclosed in the same manner as any other special assessment lien as provided in section 88.861, RSMo.

6. A separate fund or account shall be created by the district for each special assessment levied and each fund or account shall be identifiable by a suitable title. The proceeds of such assessments shall be credited to such fund or account. Such fund or account shall be used solely to pay the costs incurred in undertaking the specified service and/or project(s).

7. Upon completion of the specified service or project or both, the balance remaining in the fund or account established for such specified service or project or both shall be returned or credited against the amount of the original assessment of each parcel of property pro rata based on the method of assessment of such special assessment.

8. Any funds in a fund or account created pursuant to this section which are not needed

for current expenditures may be invested by the board in accordance with applicable laws relating to the investment of funds of the city in which the district is located.

9. The authority of the district to levy special assessments shall be independent of the limitations and authorities of the municipality in which it is located; specifically, the provisions of section 88.812, RSMo, shall not apply to any district.]

[67.1530. 1. The district may levy by resolution a tax upon real property located within the boundaries of the district; provided however, no such resolution shall be final nor shall it take effect until the qualified voters approve, by mail-in ballot, the tax which the resolution seeks to impose. If a majority of the votes cast by the qualified voters voting on the proposed tax are in favor of the tax, then the resolution and any amendments thereto shall be in effect. If a majority of the votes cast by the qualified voters voting are opposed to the tax, then the resolution seeking to levy the tax shall be deemed to be null and void.

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

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

Shall the . . . . . (insert name of district) Community Improvement District ("district") impose a real property tax upon (all real property/or specify classes or subclasses of real property) within the district at a rate of not more than . . . . . (insert amount) dollars per hundred dollars assessed valuation for a period of . . . . . (insert number) years from the date on which such tax is first imposed for the purpose of providing revenue for . . . . . (insert general description of the purpose) in the district?

G YES

G NO

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

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

[67.1540. 1. The district may levy by resolution an additional tax on businesses and individuals doing business in the district; provided, however, no such resolution shall be final or shall it take effect until the qualified voters approve, by mail-in ballot, the tax which the resolution seeks to impose. If a majority of the votes cast by the qualified voters voting on the proposed tax are in favor of the tax, then the resolution and any amendments thereto shall be in effect. If a majority of the votes cast by the qualified voters voting are opposed to the tax, then the resolution seeking to levy the tax shall be deemed to be null and void.

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

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

Shall the . . . . . (insert name of district) Community Improvement District impose a business license tax upon all individuals and businesses doing business within the

community improvement district at a rate of not more than . . . . . (insert rate) for a period of . . . . . (insert number) years from the date on which such tax is first imposed for the purpose of providing revenue for ..... (insert general description of the purpose)?

G YES

G NO

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

4. No district which levies a business license tax pursuant to this section may repeal or amend such business license tax or lower the rate of such tax unless such repeal, amendment or lower rate will not impair the district's ability to pay any liabilities which it has incurred, money which it has borrowed or obligations which it has issued to finance any improvements or services rendered for the district.]

[67.1550. 1. The county collector of each county in which the district is located, or the collector for the city in which the district is located if the district is located in a city not within a county, shall collect the real property taxes and special assessments made upon all real property within that county and district, in the same manner as other real property taxes are collected. If the special assessment is based on something other than the assessed value of real property, the district shall provide the information on which such special assessment is based for all applicable real property. In addition, the treasurer of the municipality in which the district is located shall collect business license taxes imposed by the district in the same manner as other business license taxes, if any, are collected.

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

[67.1560. 1. Notwithstanding the provisions of chapter 115, RSMo, an election for real estate tax or business license tax pursuant to sections 67.1400 to 67.1560 shall be conducted in accordance with the provisions of this section.

2. After the board has passed a resolution for the levy of real property tax or a business license tax and a vote of the qualified voters is required, the board shall provide written notice of such resolution to the election authority. The board shall be entitled to rescind such resolution provided that written notice of such rescission is delivered to the election authority prior to the time the election authority mails the ballots to the qualified voters.

3. Upon receipt of written notice of a district's resolution for the levy of a real property tax or for imposition of a business license tax the election authority shall:

(1) Specify a date upon which the election shall occur, which date shall be a Tuesday, and shall be not earlier than the tenth Tuesday, and not later than the fifteenth Tuesday, after the date of the board's passage of the resolution and shall not be on the same day as an election conducted pursuant to the provisions of chapter 115, RSMo;

(2) Publish notice of the election in a newspaper of general circulation within the city two times. The first publication date shall be more than sixty days prior to the date of the election and the second publication date shall be not more than thirty days and not less than ten days prior to the date of the election. The published notice shall include, but not be limited to, the following information:

- (a) The name and general boundaries of the district;
- (b) The type of tax proposed, its rate, purpose and duration;
- (c) The date the ballots for the election shall be mailed to qualified voters;
- (d) The date of the election;

(e) Qualified voters will consist of (a) such persons who reside within the district and who are registered voters pursuant to the records of the election authority as of the thirtieth day prior to the date of the election; or (b) if no such registered voters reside in the district, the owners of real property located within the district pursuant to the county tax rolls for real property as of the thirtieth day prior to the date of the election;

(f) A statement that persons residing in the district shall register to vote within the election authority on or before the thirtieth day prior to the date of the election in order to be a qualified voter for purposes of the election;

(g) A statement that the ballot shall be returned to the election authority's office in person, or by depositing the ballot in the United States mail addressed to the election authority's office and postmarked, no later than the date of the election; and

(h) A statement that any qualified voter that did not receive a ballot in the mail or lost the ballot received in the mail may pick up a mail-in ballot at the election authority's office, specifying the dates and time such ballot will be available and the location of the election authority's office;

(3) The election authority shall mail to each qualified voter not more than fifteen days and not less than ten days prior to the date of the election together with a notice containing substantially the same information as the published notice and a return addressed envelope directed to the election authority's office with a sworn affidavit on the reverse side of such envelope for the qualified voter's signature. For purposes of mailing ballots to real property owners only one ballot shall be mailed per capita at the address shown on the county tax rolls. Such affidavit shall be in substantially the following form:

**FOR REGISTERED VOTERS:**

I hereby declare under penalties of perjury that I reside in the (insert name) Community Improvement District and I am a registered voter and qualified to vote in this election. . . . .

Qualified Voter's Signature . . . . .

Printed Name of Qualified Voter

**FOR REAL PROPERTY OWNERS:**

I hereby declare under penalty of perjury that I am the owner of real property in the (insert name) Community Improvement District and qualified to vote in this election, or authorized to affix my signature on behalf of the owner (named below) of real property in the (insert name) Community Improvement District which is qualified to vote in this election. . . . .

Signature .....

Print Name of Real Property Owner

If Signer is Different from Owner:

Name of Signer: .....

State Basis of Legal Authority to Sign: .....

All persons or entities having a fee ownership in the property shall sign the ballot. Additional signature pages may be affixed to this ballot to accommodate all required signatures.

4. Each qualified voter shall have one vote. Each voted ballot shall be signed with the authorized signature.

5. Mail-in ballots shall be returned to the election authority's office in person, or by depositing the ballot in the United States mail addressed to the election authority's office and postmarked, no later than the date of the election. The election authority shall transmit all voted ballots to a team of judges of not less than four, with an equal number from each of the two major political parties. The judges shall be selected by the municipal clerk from lists compiled by the election authority. Upon receipt of the voted ballots, the judges shall verify the authenticity of the ballots, canvass the votes, and certify the results. Certification by the election judges shall be final and shall be immediately transmitted to the election authority. Any qualified voter who voted in such election may contest the result in the same manner as provided in chapter 115, RSMo.

6. The results of the election shall be entered upon the records of the election authority and a certified copy of the election results shall be filed with the county clerk of each county in which a portion of the proposed district lies, who shall cause the same to be entered upon the records of the county clerk.

7. The district shall reimburse the election authority for the costs it incurs to conduct an election pursuant to this section.]

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