

FIRST REGULAR SESSION

SENATE BILL NO. 406

90TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR BENTLEY.

Read 1st time February 3, 1999, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

S1708.011

AN ACT

To repeal sections 67.1421, 67.1461, 67.1501 and 67.1531, RSMo Supp. 1998, relating to community improvement districts, and to enact in lieu thereof four new sections relating to the same subject.

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

Section A. Sections 67.1421, 67.1461, 67.1501 and 67.1531, RSMo Supp. 1998, are repealed and four new sections enacted in lieu thereof, to be known as sections 67.1421, 67.1461, 67.1501 and 67.1531, to read as follows:

67.1421. 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 67.1431 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, or the collector of revenue if the district is located in a city not within a county, 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(c) A notice that the signatures of the signers may not be withdrawn later than seven days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 **or business license 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)

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).

Unofficial
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 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, or the collector of revenue if the district is located in a city not within a county. 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 67.1431 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.

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

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

(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 67.1401 to 67.1571;

(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 67.1401 to 67.1571. However, no such assessments or taxes shall be levied on any property exempt from taxation pursuant to subdivision (5) of section 137.100, RSMo. Those exempt pursuant to subdivision (5) of section 137.100, RSMo, may voluntarily participate in the provisions of sections 67.1401 to 67.1571;

(9) If the district is a political subdivision, to levy real property taxes **or business license taxes** as provided in sections 67.1401 to 67.1571. However, no such assessments or taxes shall be levied on any property exempt from taxation pursuant to subdivisions (2) and (5) of section 137.100, RSMo. Those exempt pursuant to subdivisions (2) and (5) of section 137.100, RSMo, may voluntarily participate in the provisions of sections 67.1401 to 67.1571;

(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 67.1401 to 67.1571;

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

(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 67.1401 to 67.1571;

(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 67.1401 to 67.1571.

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 67.1401 to 67.1571 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 67.1401 to 67.1571.

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.

67.1501. 1. A district may use any one or more of the assessments, taxes, or other funding methods specifically authorized pursuant to sections 67.1401 to 67.1571 to provide funds to accomplish any power, duty or purpose of the district; provided, however, no district which is located in any 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 67.1401 to 67.1571 shall have the authority to impose any such tax or assessment pursuant to sections 67.1401 to 67.1571 until such time as all taxes or special assessments imposed pursuant to sections 71.790 to 71.808, RSMo, on any real property **or on any business** 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 67.1401 to 67.1571 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 67.1401 to 67.1571 which include any real property that is also included in such special business district have been terminated or have expired pursuant to sections 67.1401 to 67.1571.

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 67.1401 to 67.1571 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 67.1521.

67.1531. 1. The district may levy by resolution a tax upon real property **or on any business** 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 **or a business license tax in an amount not to exceed.....upon all persons who are engaged in the business of.....** 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 **or a business license tax** pursuant to this section may repeal or amend such real property tax **or a business license 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.

Unofficial

Bill



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