

FIRST REGULAR SESSION
[P E R F E C T E D]
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 37
90TH GENERAL ASSEMBLY

Reported from the Committee on Local Government and Economic Development, February 25, 1999, with recommendation that the Senate Committee Substitute do pass.

Senate Committee Substitute for Senate Bill No. 37, adopted March 29, 1999.

Taken up for Perfection March 29, 1999. Bill declared Perfected and Ordered Printed, as amended.

TERRY L. SPIELER, Secretary.

S0561.02P

AN ACT

To repeal sections 67.469 and 67.475, RSMo 1994, and sections 67.455, 67.457, 67.459, 67.461, 67.1421, 67.1461, 67.1501 and 67.1531, RSMo Supp. 1998, relating to neighborhood improvement districts, and to enact in lieu thereof twelve new sections relating to the same subject.

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

Section A. Sections 67.469 and 67.475, RSMo 1994, and sections 67.455, 67.457, 67.459, 67.461, 67.1421, 67.1461, 67.1501 and 67.1531, RSMo Supp. 1998, are repealed and twelve new sections enacted in lieu thereof, to be known as sections 67.455, 67.457, 67.459, 67.461, 67.469, 67.475, 67.1421, 67.1461, 67.1501, 67.1531, 1 and 2, to read as follows:

67.455. **1.** As a complete alternative to all other methods provided by law or charter, the governing body of any city or county may make, or cause to be made, improvements which confer a benefit upon property within a neighborhood improvement district pursuant to sections 67.453 to 67.475. The governing body of such city or county may incur indebtedness and issue temporary notes and general obligation bonds of such city or county pursuant to sections 67.453 to 67.475 to pay for all or part of the cost of such improvements. An improvement may be combined with one or more other improvements for the purpose of issuing a single series of general obligation bonds to pay all or part of the cost of such improvements, but separate funds or accounts shall be established within the records of the city or county for each improvement as provided in section

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

67.473. Such city or county shall assess special assessments on the property deemed by the governing body to be benefited by each such improvement pursuant to section 67.457. The city or county shall use the moneys collected from such special assessments to reimburse the city or county for all amounts paid or to be paid by it as principal of and interest on its general obligation bonds issued for such improvements. **As used in this chapter, improvements may include new improvements, maintenance to existing improvements or replacement of improvements partially or totally destroyed.**

2. In connection with the issuance of bonds pursuant to subsection 1 of this section for any improvement estimated to cost more than one million dollars, as such estimate is set forth in a resolution adopted pursuant to subsection 2 of section 67.457 or in a petition filed pursuant to subsection 3 of section 67.457, the selection of a financial advisor or, if the bonds are not sold at public sale, an underwriter shall be made by a competitive selection process. If a competitive selection process is required, the governing body of a city or a county shall establish selection criteria, which selection criteria shall include but need not be limited to experience and fees. The governing body shall request written proposals from at least three persons or firms with experience in acting as financial advisor to municipalities or in underwriting municipal bonds.

67.457. 1. To establish a neighborhood improvement district, the governing body of any city or county shall comply with either of the procedures described in subsection 2 or 3 of this section.

2. The governing body of any city or county proposing to create a neighborhood improvement district may by resolution submit the question of creating such district to all qualified voters residing within such district at a general or special election called for that purpose. Such resolution shall set forth the project name for the proposed improvement, the general nature of the proposed improvement, the estimated cost of such improvement, the boundaries of the proposed neighborhood improvement district to be assessed, [and] the proposed method or methods of assessment of real property within the district, **and the proposed assessment formula to be used in the proposed method or methods of assessment of real property within the district**, including any provision for the annual assessment of maintenance costs of the improvement in each year after the bonds issued for the original improvement are paid in full, **or if approved as a separate question on the ballot, the provision for the annual assessment of maintenance costs of the improvement prior to retirement of the bonds issued for the original improvements.** The governing body of the city or county may create a neighborhood improvement district when the question of creating such district has been approved by the vote of the percentage of electors within such district voting thereon that is equal to the percentage of voter approval required for the issuance of general obligation bonds of such

city or county under article VI, section 26 of the constitution of this state. The notice of election containing the question of creating a neighborhood improvement district shall contain the project name for the proposed improvement, the general nature of the proposed improvement, the estimated cost of such improvement, the boundaries of the proposed neighborhood improvement district to be assessed, the proposed method or methods of assessment of real property within the district, including any provision for the annual assessment of maintenance costs of the improvement in each year after the bonds issued for the original improvement are paid in full, and a statement that the final cost of such improvement assessed against real property within the district and the amount of general obligation bonds issued therefor shall not exceed the estimated cost of such improvement, as stated in such notice, by more than twenty-five percent. The ballot upon which the question of creating a neighborhood improvement district is submitted to the qualified voters residing within the proposed district shall contain a question in substantially the following form:

Shall (name of city or county) be authorized to create a neighborhood improvement district proposed for the (project name for the proposed improvement) and incur indebtedness and issue general obligation bonds to pay for all or part of the cost of public improvements within such district, the cost of all indebtedness so incurred to be assessed by the governing body of the (city or county) on the real property benefited by such improvements for a period of years, and, if included in the resolution, an assessment in each year thereafter with the proceeds thereof used solely for maintenance of the improvement? **As a separate question on the same ballot, if included in the resolution, a maintenance tax levy question shall be submitted in substantially the following form:**

Shall (name of city or county) be authorized to collect a tax, not to exceed twenty cents per one hundred dollars of assessed valuation, and in addition to any (special assessment or levy) to retire any bonds issued, to be used solely for maintenance costs of the improvement?

3. As an alternative to the procedure described in subsection 2 of this section **and in addition to the petition requirements contained in article III, section 38(c) of the Missouri Constitution**, the governing body of a city or county may create a neighborhood improvement district when a proper petition has been signed by **at least two-thirds of** the owners of record [of at least two-thirds by area] of all real property located within such proposed district. The petition, in order to become effective, shall be filed with the city clerk or county clerk. A proper petition for the creation of a neighborhood improvement district shall set forth the project name for the proposed improvement, the general nature of the proposed improvement, the estimated cost of such improvement, the boundaries of the proposed neighborhood improvement district to be assessed, the proposed method or methods of assessment of real property within the district, including [any], **if applicable, the** provision for the annual assessment of maintenance

costs of the improvement [in each year after the bonds issued for the original improvement are paid in full] **not to exceed twenty cents per one hundred dollars of assessed valuation**, a notice that the names of the signers may not be withdrawn later than seven days after the petition is filed with the city clerk or county clerk, and a notice that the final cost of such improvement assessed against real property within the district and the amount of general obligation bonds issued therefor shall not exceed the estimated cost of such improvement, as stated in such petition, by more than twenty-five percent.

4. Upon receiving the requisite voter approval at an election or upon the filing of a proper petition with the city clerk or county clerk, the governing body may by resolution or ordinance determine the advisability of the improvement and may order that the district be established and that preliminary plans and specifications for the improvement be made. Such resolution or ordinance shall state and make findings as to the project name for the proposed improvement, the nature of the improvement, the estimated cost of such improvement, the boundaries of the neighborhood improvement district to be assessed, the proposed method or methods of assessment of real property within the district, including any provision for the annual assessment of maintenance costs of the improvement [in each year after the bonds issued for the original improvement are paid in full], and shall also state that the final cost of such improvement assessed against the real property within the neighborhood improvement district and the amount of general obligation bonds issued therefor shall not, without a new election or petition, exceed the estimated cost of such improvement by more than twenty-five percent.

5. The boundaries of the proposed district shall be described by metes and bounds, streets or other sufficiently specific description. The area of the neighborhood improvement district finally determined by the governing body of the city or county to be assessed may be less than, but shall not exceed, the total area comprising such district.

6. In any neighborhood improvement district organized prior to August 28, 1994, an assessment may be levied and collected after the original period approved for assessment of property within the district has expired, with the proceeds thereof used solely for maintenance of the improvement, if the residents of the neighborhood improvement district either vote to assess real property within the district for the maintenance costs in the manner prescribed in subsection 2 of this section or if **at least two-thirds of** the owners of [two-thirds of the area] **record** of all real property located within the district sign a petition for such purpose in the same manner as prescribed in subsection 3 of this section.

67.459. The portion of the cost of any improvement to be assessed against the real property in a neighborhood improvement district shall be apportioned against such property **or property owners**, in accordance with the benefits accruing thereto by reasons of such improvement. The cost may be assessed [equally per front foot or per square foot against property within the district or] by any [other] reasonable assessment plan determined by the governing body of the city or

county which results in imposing substantially equal burdens or share of the cost upon property similarly benefited. The governing body of the city or county may from time to time determine and establish by ordinance or resolution reasonable general classifications and formulae for the methods of assessing the benefits.

67.461. 1. After the governing body has made the findings specified in section 67.457 and plans and specifications for the proposed improvements have been prepared, the governing body shall by ordinance or resolution order assessments to be made against each parcel of real property deemed to be benefited by an improvement based on the revised estimated cost of the improvement or, if available, the final cost thereof, and shall order a proposed assessment roll to be prepared.

2. The plans and specifications for the improvement and the proposed assessment roll shall be filed with the city clerk or county clerk, as applicable, and shall be open for public inspection. Such clerk shall thereupon, at the direction of the governing body, publish notice that the governing body will conduct a hearing to consider the proposed improvement and proposed assessments. Such notice shall be published in a newspaper of general circulation at least once **a week for three consecutive weeks with at least one such notice being** not more than twenty days and not less than ten days before the hearing and shall state the project name for the improvement, the date, time and place of such hearing, the general nature of the improvement, the revised estimated cost or, if available, the final cost of the improvement, the boundaries of the neighborhood improvement district to be assessed, and that written or oral objections will be considered at the hearing. **The cost of such advertisement shall be included as a cost of the improvement.** At the same time, the clerk shall mail to the owners of record of the real property made liable to pay the assessments, at their last known post-office address, a notice of the hearing and a statement of the cost proposed to be assessed against the real property so owned and assessed. The failure of any owner to receive such notice shall not invalidate the proceedings.

67.469. 1. A special assessment authorized under the provisions of sections 67.453 to 67.475 shall be a lien, from the date of the assessment, on the property against which it is assessed on behalf of the city or county assessing the same to the same extent as a tax upon real property.

2. Upon foreclosure of such lien against a parcel of real property, all annual installments of such special assessment shall be accelerated and become due.

67.475. [The total amount of city or county general obligation bond indebtedness incurred for improvements under sections 67.453 to 67.475, including temporary notes issued pursuant to sections 67.453 to 67.475, shall not exceed ten percent of the assessed valuation of all taxable tangible property, as shown by the last completed property assessment for state or local purposes, within the city or county.] **The total amount of city or county general obligation bond indebtedness outstanding at any time for improvements under sections 67.453 to 67.475, including temporary notes issued pursuant to sections 67.453 to 67.475, shall not exceed fifty percent of the assessed valuation of all taxable real property, as shown by the last**

completed property assessment for state or local purposes, within the proposed neighborhood improvement district; provided, however, that if a ballot upon which the question of incurring the bonded indebtedness is submitted to all of the qualified voters residing within the city or county and is approved by the percentage of voters within such city or county that is equal to the percentage of voter approval required for the issuance of general obligation bonds of such city or county pursuant to article VI, section 26 of the Missouri Constitution, the total amount of city or county general obligation bond indebtedness outstanding at any time for improvements under sections 67.453 to 67.475, including temporary notes issued pursuant to sections 67.453 to 67.475, shall not exceed the assessed valuation of all taxable real property, as shown by the last completed property assessment for state or local purposes, within the proposed neighborhood improvement district. Any city with a population of three hundred fifty thousand or more inhabitants shall appoint a citizen advisory committee composed of members of each council districts on proposed neighborhood improvement district.

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, **and, business license taxes in the county seat of a county of the first classification without a charter form of government containing a population of at least two hundred thousand**, 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).

.....

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, **and, business license taxes in the county seat of a county of the first classification without a charter form of government containing a population of at least two hundred thousand**, 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 café 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:

(1) 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?

☐ YES

☐ NO

and

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

Shall the (insert name of district) Community Improvement District ("District") impose a real property tax within the district at a rate of not more than (insert amount) dollars per hundred dollars assessed valuation and/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?

☐ YES

☐ 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.

Section 1. To finance improvements in a neighborhood improvement district, the governing body of any city or county shall comply with either the procedures in section 67.459, RSMo, or the procedure in section 2 of this act.

Section 2. As an alternative method of financing to that established in section 67.459, RSMo, the governing body of any city or county shall provide for the collection of an annual tax sufficient to pay the interest and principal of the bonds issued pursuant to section 67.455, RSMo, as they fall due, and to retire them within the time limit specified in the contract, not to exceed twenty years.