

SECOND REGULAR SESSION

# HOUSE BILL NO. 1600

98TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE SHAUL.

4562H.011

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To repeal sections 99.805, 99.820, and 99.825, RSMo, and to enact in lieu thereof three new sections relating to tax increment financing.

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

Section A. Sections 99.805, 99.820, and 99.825, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 99.805, 99.820, and 99.825, to read as follows:

99.805. As used in sections 99.800 to 99.865, unless the context clearly requires otherwise, the following terms shall mean:

(1) "Blighted area", an area which, by reason of the predominance of defective or inadequate street layout, [unsanitary] **insanitary** or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use;

(2) "Collecting officer", the officer of the municipality responsible for receiving and processing payments in lieu of taxes or economic activity taxes from taxpayers or the department of revenue;

(3) "Conservation area", any improved area within the boundaries of a redevelopment area located within the territorial limits of a municipality in which fifty percent or more of the structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted area but is detrimental to the public health, safety, morals, or welfare and may become a blighted area because of any one or more of the following factors: dilapidation; obsolescence;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 deterioration; illegal use of individual structures; presence of structures below minimum code  
18 standards; abandonment; excessive vacancies; overcrowding of structures and community  
19 facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land  
20 coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of  
21 community planning. A conservation area shall meet at least three of the factors provided in this  
22 subdivision for projects approved on or after December 23, 1997;

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

38 (5) "Economic development area", any area or portion of an area located within the  
39 territorial limits of a municipality, which does not meet the requirements of subdivisions (1) and  
40 (3) of this section, and in which the governing body of the municipality finds that redevelopment  
41 will not be solely used for development of commercial businesses which unfairly compete in the  
42 local economy and is in the public interest because it will:

43 (a) Discourage commerce, industry or manufacturing from moving their operations to  
44 another state; or

45 (b) Result in increased employment in the municipality; or

46 (c) Result in preservation or enhancement of the tax base of the municipality;

47 (6) "Gambling establishment", an excursion gambling boat as defined in section 313.800  
48 and any related business facility including any real property improvements which are directly and  
49 solely related to such business facility, whose sole purpose is to provide goods or services to an  
50 excursion gambling boat and whose majority ownership interest is held by a person licensed to  
51 conduct gambling games on an excursion gambling boat or licensed to operate an excursion

52 gambling boat as provided in sections 313.800 to 313.850. This subdivision shall be applicable  
53 only to a redevelopment area designated by ordinance adopted after December 23, 1997;

54 (7) "Greenfield area", any vacant, unimproved, or agricultural property that is located  
55 wholly outside the incorporated limits of a city, town, or village, or that is substantially  
56 surrounded by contiguous properties with agricultural zoning classifications or uses unless said  
57 property was annexed into the incorporated limits of a city, town, or village ten years prior to the  
58 adoption of the ordinance approving the redevelopment plan for such greenfield area;

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

63 (9) "Obligations", bonds, loans, debentures, notes, special certificates, or other evidences  
64 of indebtedness issued by a municipality to carry out a redevelopment project or to refund  
65 outstanding obligations;

66 (10) "Ordinance", an ordinance enacted by the governing body of a city, town, or village  
67 or a county or an order of the governing body of a county whose governing body is not  
68 authorized to enact ordinances;

69 (11) "Payment in lieu of taxes", those estimated revenues from real property in the area  
70 selected for a redevelopment project, which revenues according to the redevelopment project or  
71 plan are to be used for a private use, which taxing districts would have received had a  
72 municipality not adopted tax increment allocation financing, and which would result from levies  
73 made after the time of the adoption of tax increment allocation financing during the time the  
74 current equalized value of real property in the area selected for the redevelopment project  
75 exceeds the total initial equalized value of real property in such area until the designation is  
76 terminated pursuant to subsection 2 of section 99.850;

77 (12) "Redevelopment area", an area designated by a municipality, in respect to which the  
78 municipality has made a finding that there exist conditions which cause the area to be classified  
79 as a blighted area, a conservation area, an economic development area, an enterprise zone  
80 pursuant to sections 135.200 to 135.256, or a combination thereof, which area includes only  
81 those parcels of real property directly and substantially benefitted by the proposed redevelopment  
82 project;

83 (13) "Redevelopment plan", the comprehensive program of a municipality for  
84 redevelopment intended by the payment of redevelopment costs to reduce or eliminate those  
85 conditions, the existence of which qualified the redevelopment area as a blighted area,  
86 conservation area, economic development area, or combination thereof, and to thereby enhance

87 the tax bases of the taxing districts which extend into the redevelopment area. Each  
88 redevelopment plan shall conform to the requirements of section 99.810;

89 (14) "Redevelopment project", any development project within a redevelopment area in  
90 furtherance of the objectives of the redevelopment plan; any such redevelopment project shall  
91 include a legal description of the area selected for the redevelopment project;

92 (15) "Redevelopment project costs" include the sum total of all reasonable or necessary  
93 costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan  
94 or redevelopment project, as applicable. Such costs include, but are not limited to, the following:

95 (a) Costs of studies, surveys, plans, and specifications;

96 (b) Professional service costs, including, but not limited to, architectural, engineering,  
97 legal, marketing, financial, planning or special services. Except the reasonable costs incurred  
98 by the commission established in section 99.820 for the administration of sections 99.800 to  
99 99.865, such costs shall be allowed only as an initial expense which, to be recoverable, shall be  
100 included in the costs of a redevelopment plan or project;

101 (c) Property assembly costs, including, but not limited to[,] :

102 a. Acquisition of land and other property, real or personal, or rights or interests therein[,]

103 ;

104 b. Demolition of buildings[,] ; and

105 c. The clearing and grading of land;

106 (d) Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings  
107 and fixtures;

108 (e) Initial costs for an economic development area;

109 (f) Costs of construction of public works or improvements;

110 (g) Financing costs, including, but not limited to, all necessary and incidental expenses  
111 related to the issuance of obligations, and which may include payment of interest on any  
112 obligations issued pursuant to sections 99.800 to 99.865 accruing during the estimated period  
113 of construction of any redevelopment project for which such obligations are issued and for not  
114 more than eighteen months thereafter, and including reasonable reserves related thereto;

115 (h) All or a portion of a taxing district's capital costs resulting from the redevelopment  
116 project necessarily incurred or to be incurred in furtherance of the objectives of the  
117 redevelopment plan and project, to the extent the municipality by written agreement accepts and  
118 approves such costs;

119 (i) Relocation costs to the extent that a municipality determines that relocation costs shall  
120 be paid or are required to be paid by federal or state law;

121 (j) Payments in lieu of taxes;

122 (16) "Special allocation fund", the fund of a municipality or its commission which  
123 contains at least two separate segregated accounts for each redevelopment plan, maintained by  
124 the treasurer of the municipality or the treasurer of the commission into which payments in lieu  
125 of taxes are deposited in one account, and economic activity taxes and other revenues are  
126 deposited in the other account;

127 (17) "Taxing districts", any political subdivision of this state having the power to levy  
128 taxes;

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

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

99.820. 1. A municipality may:

2 (1) By ordinance introduced in the governing body of the municipality within fourteen  
3 to ninety days from the completion of the hearing required in section 99.825, approve  
4 redevelopment plans and redevelopment projects, and designate redevelopment project areas  
5 pursuant to the notice and hearing requirements of sections 99.800 to 99.865. No redevelopment  
6 project shall be approved unless a redevelopment plan has been approved and a redevelopment  
7 area has been designated prior to or concurrently with the approval of such redevelopment  
8 project and the area selected for the redevelopment project shall include only those parcels of real  
9 property and improvements thereon directly and substantially benefitted by the proposed  
10 redevelopment project improvements;

11 (2) Make and enter into all contracts necessary or incidental to the implementation and  
12 furtherance of its redevelopment plan or project;

13 (3) Pursuant to a redevelopment plan, subject to any constitutional limitations, acquire  
14 by purchase, donation, lease or, as part of a redevelopment project, eminent domain, own,  
15 convey, lease, mortgage, or dispose of land and other property, real or personal, or rights or  
16 interests therein, and grant or acquire licenses, easements and options with respect thereto, all  
17 in the manner and at such price the municipality or the commission determines is reasonably  
18 necessary to achieve the objectives of the redevelopment plan. No conveyance, lease, mortgage,  
19 disposition of land or other property, acquired by the municipality, or agreement relating to the  
20 development of the property shall be made except upon the adoption of an ordinance by the  
21 governing body of the municipality. Each municipality or its commission shall establish written  
22 procedures relating to bids and proposals for implementation of the redevelopment projects.  
23 Furthermore, no conveyance, lease, mortgage, or other disposition of land or agreement relating  
24 to the development of property shall be made without making public disclosure of the terms of

25 the disposition and all bids and proposals made in response to the municipality's request. Such  
26 procedures for obtaining such bids and proposals shall provide reasonable opportunity for any  
27 person to submit alternative proposals or bids;

28 (4) Within a redevelopment area, clear any area by demolition or removal of existing  
29 buildings and structures;

30 (5) Within a redevelopment area, renovate, rehabilitate, or construct any structure or  
31 building;

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

35 (7) Within a redevelopment area, fix, charge, and collect fees, rents, and other charges  
36 for the use of any building or property owned or leased by it or any part thereof, or facility  
37 therein;

38 (8) Accept grants, guarantees, and donations of property, labor, or other things of value  
39 from a public or private source for use within a redevelopment area;

40 (9) Acquire and construct public facilities within a redevelopment area;

41 (10) Incur redevelopment costs and issue obligations;

42 (11) Make payment in lieu of taxes, or a portion thereof, to taxing districts;

43 (12) Disburse surplus funds from the special allocation fund to taxing districts as  
44 follows:

45 (a) Such surplus payments in lieu of taxes shall be distributed to taxing districts within  
46 the redevelopment area which impose ad valorem taxes on a basis that is proportional to the  
47 current collections of revenue which each taxing district receives from real property in the  
48 redevelopment area;

49 (b) Surplus economic activity taxes shall be distributed to taxing districts in the  
50 redevelopment area which impose economic activity taxes, on a basis that is proportional to the  
51 amount of such economic activity taxes the taxing district would have received from the  
52 redevelopment area had tax increment financing not been adopted;

53 (c) Surplus revenues, other than payments in lieu of taxes and economic activity taxes,  
54 deposited in the special allocation fund, shall be distributed on a basis that is proportional to the  
55 total receipt of such other revenues in such account in the year prior to disbursement;

56 (13) If any member of the governing body of the municipality, a member of a  
57 commission established pursuant to subsection 2 or 3 of this section, or an employee or  
58 consultant of the municipality, involved in the planning and preparation of a redevelopment plan,  
59 or redevelopment project for a redevelopment area or proposed redevelopment area, owns or  
60 controls an interest, direct or indirect, in any property included in any redevelopment area, or

61 proposed redevelopment area, which property is designated to be acquired or improved pursuant  
62 to a redevelopment project, he or she shall disclose the same in writing to the clerk of the  
63 municipality, and shall also so disclose the dates, terms, and conditions of any disposition of any  
64 such interest, which disclosures shall be acknowledged by the governing body of the  
65 municipality and entered upon the minutes books of the governing body of the municipality. If  
66 an individual holds such an interest, then that individual shall refrain from any further official  
67 involvement in regard to such redevelopment plan, redevelopment project or redevelopment area,  
68 from voting on any matter pertaining to such redevelopment plan, redevelopment project or  
69 redevelopment area, or communicating with other members concerning any matter pertaining  
70 to that redevelopment plan, redevelopment project or redevelopment area. Furthermore, no such  
71 member or employee shall acquire any interest, direct or indirect, in any property in a  
72 redevelopment area or proposed redevelopment area after either (a) such individual obtains  
73 knowledge of such plan or project, or (b) first public notice of such plan, project or area pursuant  
74 to section 99.830, whichever first occurs;

75 (14) Charge as a redevelopment cost the reasonable costs incurred by its clerk or other  
76 official in administering the redevelopment project. The charge for the clerk's or other official's  
77 costs shall be determined by the municipality based on a recommendation from the commission,  
78 created pursuant to this section.

79 2. Prior to adoption of an ordinance approving the designation of a redevelopment area  
80 or approving a redevelopment plan or redevelopment project, the municipality shall create a  
81 commission of nine persons if the municipality is a county or a city not within a county and not  
82 a first class county with a charter form of government with a population in excess of nine  
83 hundred thousand, and eleven persons if the municipality is not a county and not in a first class  
84 county with a charter form of government having a population of more than nine hundred  
85 thousand, and twelve persons if the municipality is located in or is a first class county with a  
86 charter form of government having a population of more than nine hundred thousand, to be  
87 appointed as follows:

88 (1) In all municipalities two members shall be appointed by the school boards whose  
89 districts are included within the redevelopment plan or redevelopment area. Such members shall  
90 be appointed in any manner agreed upon by the affected districts;

91 (2) In all municipalities one member shall be appointed, in any manner agreed upon by  
92 the affected districts, to represent all other districts levying ad valorem taxes within the area  
93 selected for a redevelopment project or the redevelopment area, excluding representatives of the  
94 governing body of the municipality;

95 (3) In all municipalities six members shall be appointed by the chief elected officer of  
96 the municipality, with the consent of the majority of the governing body of the municipality;

97 (4) In all municipalities which are not counties and not in a first class county with a  
98 charter form of government having a population in excess of nine hundred thousand, two  
99 members shall be appointed by the county of such municipality in the same manner as members  
100 are appointed in subdivision (3) of this subsection;

101 (5) In a municipality which is a county with a charter form of government having a  
102 population in excess of nine hundred thousand, three members shall be appointed by the cities  
103 in the county which have tax increment financing districts in a manner in which the cities shall  
104 agree;

105 (6) In a municipality which is located in the first class county with a charter form of  
106 government having a population in excess of nine hundred thousand, three members shall be  
107 appointed by the county of such municipality in the same manner as members are appointed in  
108 subdivision (3) of this subsection;

109 (7) At the option of the members appointed by the municipality, the members who are  
110 appointed by the school boards and other taxing districts may serve on the commission for a term  
111 to coincide with the length of time a redevelopment project, redevelopment plan or designation  
112 of a redevelopment area is considered for approval by the commission, or for a definite term  
113 pursuant to this subdivision. If the members representing school districts and other taxing  
114 districts are appointed for a term coinciding with the length of time a redevelopment project, plan  
115 or area is approved, such term shall terminate upon final approval of the project, plan or  
116 designation of the area by the governing body of the municipality. Thereafter the commission  
117 shall consist of the six members appointed by the municipality, except that members representing  
118 school boards and other taxing districts shall be appointed as provided in this section prior to any  
119 amendments to any redevelopment plans, redevelopment projects or designation of a  
120 redevelopment area. If any school district or other taxing jurisdiction fails to appoint members  
121 of the commission within thirty days of receipt of written notice of a proposed redevelopment  
122 plan, redevelopment project or designation of a redevelopment area, the remaining members may  
123 proceed to exercise the power of the commission. Of the members first appointed by the  
124 municipality, two shall be designated to serve for terms of two years, two shall be designated to  
125 serve for a term of three years and two shall be designated to serve for a term of four years from  
126 the date of such initial appointments. Thereafter, the members appointed by the municipality  
127 shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms  
128 in the same manner as were the original appointments. Members appointed by the county  
129 executive or presiding commissioner prior to August 28, 2008, shall continue their service on  
130 the commission established in subsection 3 of this section without further appointment unless  
131 the county executive or presiding commissioner appoints a new member or members.

132 3. Beginning August 28, 2008:



133 (1) In lieu of a commission created under subsection 2 of this section, any city, town, or  
134 village in a county with a charter form of government and with more than one million  
135 inhabitants, in a county with a charter form of government and with more than two hundred fifty  
136 thousand but fewer than three hundred fifty thousand inhabitants, or in a county of the first  
137 classification with more than one hundred eighty-five thousand but fewer than two hundred  
138 thousand inhabitants shall, prior to adoption of an ordinance approving the designation of a  
139 redevelopment area or approving a redevelopment plan or redevelopment project, create a  
140 commission consisting of twelve persons to be appointed as follows:

141 (a) Six members appointed either by the county executive or presiding commissioner;  
142 notwithstanding any provision of law to the contrary, no approval by the county's governing body  
143 shall be required;

144 (b) Three members appointed by the cities, towns, or villages in the county which have  
145 tax increment financing districts in a manner in which the chief elected officials of such cities,  
146 towns, or villages agree;

147 (c) Two members appointed by the school boards whose districts are included in the  
148 county in a manner in which the school boards agree; and

149 (d) One member to represent all other districts levying ad valorem taxes in the proposed  
150 redevelopment area in a manner in which all such districts agree.

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

156 (2) Members appointed to the commission created under this subsection, except those  
157 six members appointed by either the county executive or presiding commissioner, shall serve on  
158 the commission for a term to coincide with the length of time a redevelopment project,  
159 redevelopment plan, or designation of a redevelopment area is considered for approval by the  
160 commission. The six members appointed by either the county executive or the presiding  
161 commissioner shall serve on all such commissions until replaced. The city, town, or village that  
162 creates a commission under this subsection shall send notice thereof by certified mail to the  
163 county executive or presiding commissioner, to the school districts whose boundaries include  
164 any portion of the proposed redevelopment area, and to the other taxing districts whose  
165 boundaries include any portion of the proposed redevelopment area. The city, town, or village  
166 that creates the commission shall also be solely responsible for notifying all other cities, towns,  
167 and villages in the county that have tax increment financing districts and shall exercise all  
168 administrative functions of the commission. The school districts receiving notice from the city,

169 town, or village shall be solely responsible for notifying the other school districts within the  
170 county of the formation of the commission. If the county, school board, or other taxing district  
171 fails to appoint members to the commission within thirty days after the city, town, or village  
172 sends the written notice, as provided herein, that it has convened such a commission or within  
173 thirty days of the expiration of any such member's term, the remaining duly appointed members  
174 of the commission may exercise the full powers of the commission.

175 4. (1) Any commission created under this section, subject to approval of the governing  
176 body of the municipality, may exercise the powers enumerated in sections 99.800 to 99.865,  
177 except final approval of plans, projects and designation of redevelopment areas. The  
178 commission shall hold public hearings and provide notice pursuant to sections 99.825 and  
179 99.830.

180 (2) Any commission created under subsection 2 of this section shall vote on all proposed  
181 redevelopment plans, redevelopment projects and designations of redevelopment areas, and  
182 amendments thereto, within thirty days following completion of the hearing on any such plan,  
183 project or designation and shall make recommendations to the governing body within ninety days  
184 of the hearing referred to in section 99.825 concerning the adoption of or amendment to  
185 redevelopment plans and redevelopment projects and the designation of redevelopment areas.  
186 The requirements of subsection 2 of this section and this subsection shall not apply to  
187 redevelopment projects upon which the required hearings have been duly held prior to August  
188 31, 1991.

189 (3) Any commission created under subsection 3 of this section shall, within fifteen days  
190 of the receipt of a redevelopment plan meeting the minimum requirements of section 99.810, as  
191 determined by counsel to the city, town, or village creating the commission and a request by the  
192 applicable city, town, or village for a public hearing, fix a time and place for the public hearing  
193 referred to in section 99.825. The public hearing shall be held no later than seventy-five days  
194 from the commission's receipt of such redevelopment plan and request for public hearing. The  
195 commission shall vote and make recommendations to the governing body of the city, town, or  
196 village requesting the public hearing on all proposed redevelopment plans, redevelopment  
197 projects, and designations of redevelopment areas, and amendments thereto within thirty days  
198 following the completion of the public hearing. **A recommendation of approval shall only be**  
199 **deemed to occur if a majority of the commissioners voting on such plan, project,**  
200 **designation, or amendment thereto vote for approval. A tied vote shall be considered a**  
201 **recommendation in opposition.** If the commission fails to vote within thirty days following  
202 the completion of the public hearing referred to in section 99.825 concerning the proposed  
203 redevelopment plan, redevelopment project, or designation of redevelopment area, or

204 amendments thereto, such plan, project, designation, or amendment thereto shall be deemed  
205 rejected by the commission.

99.825. 1. Prior to the adoption of an ordinance proposing the designation of a  
2 redevelopment area, or approving a redevelopment plan or redevelopment project, the  
3 commission shall fix a time and place for a public hearing as required in subsection 4 of section  
4 99.820 and notify each taxing district located wholly or partially within the boundaries of the  
5 proposed redevelopment area, plan or project. At the public hearing any interested person or  
6 affected taxing district may file with the commission written objections to, or comments on, and  
7 may be heard orally in respect to, any issues embodied in the notice. The commission shall hear  
8 and consider all protests, objections, comments and other evidence presented at the hearing. The  
9 hearing may be continued to another date without further notice other than a motion to be entered  
10 upon the minutes fixing the time and place of the subsequent hearing; provided, if the  
11 commission is created under subsection 3 of section 99.820, the hearing shall not be continued  
12 for more than thirty days beyond the date on which it is originally opened unless such longer  
13 period is requested by the chief elected official of the municipality creating the commission and  
14 approved by a majority of the commission. Prior to the conclusion of the hearing, changes may  
15 be made in the redevelopment plan, redevelopment project, or redevelopment area, provided that  
16 each affected taxing district is given written notice of such changes at least seven days prior to  
17 the conclusion of the hearing. After the public hearing but prior to the adoption of an ordinance  
18 approving a redevelopment plan or redevelopment project, or designating a redevelopment area,  
19 changes may be made to the redevelopment plan, redevelopment projects or redevelopment areas  
20 without a further hearing, if such changes do not enlarge the exterior boundaries of the  
21 redevelopment area or areas, and do not substantially affect the general land uses established in  
22 the redevelopment plan or substantially change the nature of the redevelopment projects,  
23 provided that notice of such changes shall be given by mail to each affected taxing district and  
24 by publication in a newspaper of general circulation in the area of the proposed redevelopment  
25 not less than ten days prior to the adoption of the changes by ordinance. After the adoption of  
26 an ordinance approving a redevelopment plan or redevelopment project, or designating a  
27 redevelopment area, no ordinance shall be adopted altering the exterior boundaries, affecting the  
28 general land uses established pursuant to the redevelopment plan or changing the nature of the  
29 redevelopment project without complying with the procedures provided in this section pertaining  
30 to the initial approval of a redevelopment plan or redevelopment project and designation of a  
31 redevelopment area. Hearings with regard to a redevelopment project, redevelopment area, or  
32 redevelopment plan may be held simultaneously.

33 2. [Effective January 1, 2008,] If, after concluding the hearing required under this  
34 section, the commission makes a recommendation under section 99.820 in opposition to a

35 proposed redevelopment plan, redevelopment project, or designation of a redevelopment area,  
36 or any amendments thereto, a municipality desiring to approve such project, plan, designation,  
37 or amendments shall do so only upon a two-thirds majority vote of the governing body of such  
38 municipality. **For plans, projects, designations, or amendments approved by a municipality**  
39 **over the recommendation in opposition by the commission, the economic activity taxes and**  
40 **payments in lieu of taxes generated by such plan, project, designation, or amendment shall**  
41 **not exceed the costs associated with those contained in subparagraphs b and c of**  
42 **paragraph (c) of subdivision (15) of section 99.805 per redevelopment project.**

43 3. Tax incremental financing projects within an economic development area shall apply  
44 to and fund only the following infrastructure projects: highways, roads, streets, bridges, sewers,  
45 traffic control systems and devices, water distribution and supply systems, curbing, sidewalks  
46 and any other similar public improvements, but in no case shall it include buildings.

✓