

FIRST REGULAR SESSION

SENATE BILL NO. 442

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHAEFER.

Read 1st time February 12, 2015, and ordered printed.

ADRIANE D. CROUSE, Secretary.

1998S.011

AN ACT

To repeal section 99.820, RSMo, and to enact in lieu thereof one new section relating to tax increment financing.

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

Section A. Section 99.820, RSMo, is repealed and one new section enacted
2 in lieu thereof, to be known as section 99.820, to read as follows:

99.820. 1. A municipality may:

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

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

14 (3) Pursuant to a redevelopment plan, subject to any constitutional
15 limitations, acquire by purchase, donation, lease or, as part of a redevelopment
16 project, eminent domain, own, convey, lease, mortgage, or dispose of land and
17 other property, real or personal, or rights or interests therein, and grant or
18 acquire licenses, easements and options with respect thereto, all in the manner
19 and at such price the municipality or the commission determines is reasonably

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

20 necessary to achieve the objectives of the redevelopment plan. No conveyance,
21 lease, mortgage, disposition of land or other property, acquired by the
22 municipality, or agreement relating to the development of the property shall be
23 made except upon the adoption of an ordinance by the governing body of the
24 municipality. Each municipality or its commission shall establish written
25 procedures relating to bids and proposals for implementation of the
26 redevelopment projects. Furthermore, no conveyance, lease, mortgage, or other
27 disposition of land or agreement relating to the development of property shall be
28 made without making public disclosure of the terms of the disposition and all bids
29 and proposals made in response to the municipality's request. Such procedures
30 for obtaining such bids and proposals shall provide reasonable opportunity for
31 any person to submit alternative proposals or bids;

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

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

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

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

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

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

46 (10) Incur redevelopment costs and issue obligations;

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

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

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

55 (b) Surplus economic activity taxes shall be distributed to taxing districts

56 in the redevelopment area which impose economic activity taxes, on a basis that
57 is proportional to the amount of such economic activity taxes the taxing district
58 would have received from the redevelopment area had tax increment financing
59 not been adopted;

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

64 (13) If any member of the governing body of the municipality, a member
65 of a commission established pursuant to subsection 2 or 3 of this section, or an
66 employee or consultant of the municipality, involved in the planning and
67 preparation of a redevelopment plan, or redevelopment project for a
68 redevelopment area or proposed redevelopment area, owns or controls an interest,
69 direct or indirect, in any property included in any redevelopment area, or
70 proposed redevelopment area, which property is designated to be acquired or
71 improved pursuant to a redevelopment project, he or she shall disclose the same
72 in writing to the clerk of the municipality, and shall also so disclose the dates,
73 terms, and conditions of any disposition of any such interest, which disclosures
74 shall be acknowledged by the governing body of the municipality and entered
75 upon the minutes books of the governing body of the municipality. If an
76 individual holds such an interest, then that individual shall refrain from any
77 further official involvement in regard to such redevelopment plan, redevelopment
78 project or redevelopment area, from voting on any matter pertaining to such
79 redevelopment plan, redevelopment project or redevelopment area, or
80 communicating with other members concerning any matter pertaining to that
81 redevelopment plan, redevelopment project or redevelopment area. Furthermore,
82 no such member or employee shall acquire any interest, direct or indirect, in any
83 property in a redevelopment area or proposed redevelopment area after either (a)
84 such individual obtains knowledge of such plan or project, or (b) first public notice
85 of such plan, project or area pursuant to section 99.830, whichever first occurs;

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

90 2. Prior to adoption of an ordinance approving the designation of a
91 redevelopment area or approving a redevelopment plan or redevelopment project,

92 the municipality shall create a commission of nine persons if the municipality is
93 a county or a city not within a county and not a first class county with a charter
94 form of government with a population in excess of nine hundred thousand, and
95 eleven persons if the municipality is not a county and not in a first class county
96 with a charter form of government having a population of more than nine
97 hundred thousand, and twelve persons if the municipality is located in or is a
98 first class county with a charter form of government having a population of more
99 than nine hundred thousand, to be appointed as follows:

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

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

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

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

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

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

126 (7) At the option of the members appointed by the municipality, the
127 members who are appointed by the school boards and other taxing districts may

128 serve on the commission for a term to coincide with the length of time a
129 redevelopment project, redevelopment plan or designation of a redevelopment
130 area is considered for approval by the commission, or for a definite term pursuant
131 to this subdivision. If the members representing school districts and other taxing
132 districts are appointed for a term coinciding with the length of time a
133 redevelopment project, plan or area is approved, such term shall terminate upon
134 final approval of the project, plan or designation of the area by the governing
135 body of the municipality. Thereafter the commission shall consist of the six
136 members appointed by the municipality, except that members representing school
137 boards and other taxing districts shall be appointed as provided in this section
138 prior to any amendments to any redevelopment plans, redevelopment projects or
139 designation of a redevelopment area. If any school district or other taxing
140 jurisdiction fails to appoint members of the commission within thirty days of
141 receipt of written notice of a proposed redevelopment plan, redevelopment project
142 or designation of a redevelopment area, the remaining members may proceed to
143 exercise the power of the commission. Of the members first appointed by the
144 municipality, two shall be designated to serve for terms of two years, two shall
145 be designated to serve for a term of three years and two shall be designated to
146 serve for a term of four years from the date of such initial
147 appointments. Thereafter, the members appointed by the municipality shall
148 serve for a term of four years, except that all vacancies shall be filled for
149 unexpired terms in the same manner as were the original
150 appointments. Members appointed by the county executive or presiding
151 commissioner prior to August 28, 2008, shall continue their service on the
152 commission established in subsection 3 of this section without further
153 appointment unless the county executive or presiding commissioner appoints a
154 new member or members.

155 3. Beginning August 28, 2008:

156 (1) In lieu of a commission created under subsection 2 of this section, any
157 city, town, or village in a county with a charter form of government and with
158 more than one million inhabitants, in a county with a charter form of government
159 and with more than two hundred fifty thousand but fewer than three hundred
160 fifty thousand inhabitants, [or] in a county of the first classification with more
161 than one hundred eighty-five thousand but fewer than two hundred thousand
162 inhabitants, **or in any county of the first classification with more than**
163 **one hundred fifty thousand but fewer than two hundred thousand**

164 **inhabitants** shall, prior to adoption of an ordinance approving the designation
165 of a redevelopment area or approving a redevelopment plan or redevelopment
166 project, create a commission consisting of twelve persons to be appointed as
167 follows:

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

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

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

176 (d) One member to represent all other districts levying ad valorem taxes
177 in the proposed redevelopment area in a manner in which all such districts agree.
178 No city, town, or village subject to this subsection shall create or maintain a
179 commission under subsection 2 of this section, except as necessary to complete a
180 public hearing for which notice under section 99.830 has been provided prior to
181 August 28, 2008, and to vote or make recommendations relating to redevelopment
182 plans, redevelopment projects, or designation of redevelopment areas, or
183 amendments thereto that were the subject of such public hearing;

184 (2) Members appointed to the commission created under this subsection,
185 except those six members appointed by either the county executive or presiding
186 commissioner, shall serve on the commission for a term to coincide with the
187 length of time a redevelopment project, redevelopment plan, or designation of a
188 redevelopment area is considered for approval by the commission. The six
189 members appointed by either the county executive or the presiding commissioner
190 shall serve on all such commissions until replaced. The city, town, or village that
191 creates a commission under this subsection shall send notice thereof by certified
192 mail to the county executive or presiding commissioner, to the school districts
193 whose boundaries include any portion of the proposed redevelopment area, and
194 to the other taxing districts whose boundaries include any portion of the proposed
195 redevelopment area. The city, town, or village that creates the commission shall
196 also be solely responsible for notifying all other cities, towns, and villages in the
197 county that have tax increment financing districts and shall exercise all
198 administrative functions of the commission. The school districts receiving notice
199 from the city, town, or village shall be solely responsible for notifying the other

200 school districts within the county of the formation of the commission. If the
201 county, school board, or other taxing district fails to appoint members to the
202 commission within thirty days after the city, town, or village sends the written
203 notice, as provided herein, that it has convened such a commission or within
204 thirty days of the expiration of any such member's term, the remaining duly
205 appointed members of the commission may exercise the full powers of the
206 commission.

207 4. (1) Any commission created under this section, subject to approval of
208 the governing body of the municipality, may exercise the powers enumerated in
209 sections 99.800 to 99.865, except final approval of plans, projects and designation
210 of redevelopment areas. The commission shall hold public hearings and provide
211 notice pursuant to sections 99.825 and 99.830.

212 (2) Any commission created under subsection 2 of this section shall vote
213 on all proposed redevelopment plans, redevelopment projects and designations of
214 redevelopment areas, and amendments thereto, within thirty days following
215 completion of the hearing on any such plan, project or designation and shall make
216 recommendations to the governing body within ninety days of the hearing
217 referred to in section 99.825 concerning the adoption of or amendment to
218 redevelopment plans and redevelopment projects and the designation of
219 redevelopment areas. The requirements of subsection 2 of this section and this
220 subsection shall not apply to redevelopment projects upon which the required
221 hearings have been duly held prior to August 31, 1991.

222 (3) Any commission created under subsection 3 of this section shall,
223 within fifteen days of the receipt of a redevelopment plan meeting the minimum
224 requirements of section 99.810, as determined by counsel to the city, town, or
225 village creating the commission and a request by the applicable city, town, or
226 village for a public hearing, fix a time and place for the public hearing referred
227 to in section 99.825. The public hearing shall be held no later than seventy-five
228 days from the commission's receipt of such redevelopment plan and request for
229 public hearing. The commission shall vote and make recommendations to the
230 governing body of the city, town, or village requesting the public hearing on all
231 proposed redevelopment plans, redevelopment projects, and designations of
232 redevelopment areas, and amendments thereto within thirty days following the
233 completion of the public hearing. If the commission fails to vote within thirty
234 days following the completion of the public hearing referred to in section 99.825
235 concerning the proposed redevelopment plan, redevelopment project, or

236 designation of redevelopment area, or amendments thereto, such plan, project,
237 designation, or amendment thereto shall be deemed rejected by the commission.

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