

SECOND REGULAR SESSION

HOUSE BILL NO. 1378

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE PORTWOOD.

Pre-filed December 7, 2007 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

3328L.011

AN ACT

To repeal section 99.810, RSMo, and to enact in lieu thereof four new sections relating to tax increment financing.

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

Section A. Section 99.810, RSMo, is repealed and four new sections enacted in lieu thereof, to be known as sections 67.112, 99.810, 99.866, and 99.870, to read as follows:

67.112. The revenue derived from any increase in any tax within any tax increment financing district shall be used solely for the specified purposes of the tax increase. In no event shall any such revenue be used for or diverted to any redevelopment plan or project in any tax increment financing district.

99.810. 1. Each redevelopment plan shall set forth in writing a general description of the program to be undertaken to accomplish the objectives and shall include, but need not be limited to, the estimated redevelopment project costs, the anticipated sources of funds to pay the costs, evidence of the commitments to finance the project costs, **noting conditions and contingencies, if any**, the anticipated type and term of the sources of funds to pay costs, the anticipated type and terms of the obligations to be issued, the most recent equalized assessed valuation of the property within the redevelopment area which is to be subjected to payments in lieu of taxes and economic activity taxes pursuant to section 99.845, an estimate as to the equalized assessed valuation after redevelopment, and the general land uses to apply in the redevelopment area. No redevelopment plan shall be adopted by a municipality without findings that:

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.

12 (1) The redevelopment area on the whole is a blighted area, a conservation area, or an
13 economic development area, and has not been subject to growth and development through
14 investment by private enterprise and would not reasonably be anticipated to be developed
15 without the adoption of tax increment financing. Such a finding shall include, but not be limited
16 to, a detailed description of the factors that qualify the redevelopment area or project pursuant
17 to this subdivision and an affidavit, signed by the developer or developers and submitted with
18 the redevelopment plan, attesting that the provisions of this subdivision have been met;

19 (2) The redevelopment plan conforms to the comprehensive plan for the development
20 of the municipality as a whole;

21 (3) The estimated dates, which shall not be more than twenty-three years from the
22 adoption of the ordinance approving a redevelopment project within a redevelopment area, of
23 completion of any redevelopment project and retirement of obligations incurred to finance
24 redevelopment project costs have been stated, provided that no ordinance approving a
25 redevelopment project shall be adopted later than ten years from the adoption of the ordinance
26 approving the redevelopment plan under which such project is authorized and provided that no
27 property for a redevelopment project shall be acquired by eminent domain later than five years
28 from the adoption of the ordinance approving such redevelopment project;

29 (4) A plan has been developed for relocation assistance for businesses and residences;

30 (5) A cost-benefit analysis showing the economic impact of the plan on each taxing
31 district which is at least partially within the boundaries of the redevelopment area. The analysis
32 shall show the impact on the economy if the project is not built, and is built pursuant to the
33 redevelopment plan under consideration. The cost-benefit analysis shall include a fiscal impact
34 study on every affected political subdivision, and sufficient information from the developer for
35 the commission established in section 99.820 to evaluate whether the project as proposed is
36 financially feasible;

37 (6) A finding that the plan does not include the initial development or redevelopment of
38 any gambling establishment, provided however, that this subdivision shall be applicable only to
39 a redevelopment plan adopted for a redevelopment area designated by ordinance after December
40 23, 1997.

41 **2. In the event that, within ten days after the passage of a municipal or county**
42 **ordinance adopting a redevelopment plan, the appropriate local election authority receives**
43 **a notice, signed by not less than one hundred registered voters of the municipality or**
44 **county, stating the intention of such registered voters to cause a petition to be circulated**
45 **to resubmit any such ordinance to a second vote by the municipal or county governing**
46 **body, the ordinance shall not take effect as otherwise provided. In the event that, within**
47 **forty days after the passage of a municipal or county ordinance adopting a redevelopment**

48 **plan, the appropriate local election authority receives a petition, signed by a number of**
49 **registered voters equal to at least ten percent of the number of total votes cast in such**
50 **subdivision in the most recent mayoral or county commissioner election, requesting that**
51 **approval of the redevelopment plan be resubmitted to the municipal or county governing**
52 **body for a second vote, the municipal or county governing body shall vote again on the**
53 **adoption of the redevelopment plan. No such plan shall become effective unless and until**
54 **it receives the favorable vote of two-thirds of all the members of the governing body.**

55 **3.** By the last day of February each year, each commission shall report to the director of
56 economic development the name, address, phone number and primary line of business of any
57 business which relocates to the district. The director of the department of economic development
58 shall compile and report the same to the governor, the speaker of the house and the president pro
59 tempore of the senate on the last day of April each year.

99.866. When a tax increment financing project includes residential uses except in
2 **central business districts as defined in section 99.918, absent a recommendation to the**
3 **contrary from commission members representing the affected school board or boards, real**
4 **property tax levies attributable to the residential portion of the development shall pass**
5 **through to the school district or districts.**

99.870. In any home rule city with more than four hundred thousand inhabitants
2 **and located in more than one county and any city not within a county, when tax increment**
3 **financing is used for a project, those receiving the financing shall make all good faith**
4 **efforts to use minority business enterprises or women business enterprises to help complete**
5 **the project.**

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