

SECOND REGULAR SESSION

HOUSE BILL NO. 1912

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BRATTIN.

5154H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 99.805, 99.820, 99.843, 99.845, 238.202, and 238.207, RSMo, and to enact in lieu thereof seven new sections relating to local development incentives.

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

Section A. Sections 99.805, 99.820, 99.843, 99.845, 238.202, and 238.207, RSMo, are
2 repealed and seven new sections enacted in lieu thereof, to be known as sections 99.805, 99.820,
3 99.843, 99.845, 238.202, 238.206, and 238.207, to read as follows:

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

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

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

12 (3) "Conservation area", any improved area within the boundaries of a redevelopment
13 area located within the territorial limits of a municipality in which fifty percent or more of the
14 structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted
15 area but is detrimental to the public health, safety, morals, or welfare and may become a blighted
16 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) **"Previously commercial land", an area that for the previous forty years was**
78 **continuously assessed as utility, industrial, commercial, railroad, and all other real**
79 **property and not as residential property or agricultural or horticultural property as those**
80 **subclasses are named under article X, section 4(b) of the Constitution of Missouri;**

81 (13) "Redevelopment area", an area designated by a municipality, in respect to which:

82 (a) The municipality has made a finding that there exist conditions which cause the area
83 to be classified as a blighted area, a conservation area, an economic development area, an
84 enterprise zone pursuant to sections 135.200 to 135.256, or a combination thereof~~[, which]~~ ;

85 (b) **Is located in:**

86 a. **Any county of the first classification with more than ninety-two thousand but**
87 **fewer than one hundred one thousand inhabitants;**

88 **b. Any county of the first classification with more than two hundred thousand but**
89 **fewer than two hundred sixty thousand inhabitants;**

90 **c. Any county of the first classification with more than two hundred sixty thousand**
91 **but fewer than three hundred thousand inhabitants;**

92 **d. Any county with a charter form of government and with more than six hundred**
93 **thousand but fewer than seven hundred thousand inhabitants;**

94 **e. Any county with a charter form of government and with more than two hundred**
95 **thousand but fewer than three hundred fifty thousand inhabitants;**

96 **f. Any county of the first classification with more than eighty-three thousand but**
97 **fewer than ninety-two thousand inhabitants and with a city of the fourth classification with**
98 **more than four thousand five hundred but fewer than five thousand inhabitants as the**
99 **county seat;**

100 **g. Any county with a charter form of government and with more than three**
101 **hundred thousand but fewer than four hundred fifty thousand inhabitants;**

102 **h. A city not within a county; or**

103 **i. Any county with a charter form of government and with more than nine hundred**
104 **fifty thousand inhabitants;**

105 **(c) Is previously commercial land; and**

106 **(d) Whose area includes only those parcels of real property directly and substantially**
107 **benefitted by the proposed redevelopment project;**

108 ~~[(13)]~~ **(14)** "Redevelopment plan", the comprehensive program of a municipality for
109 redevelopment intended by the payment of redevelopment costs to reduce or eliminate those
110 conditions, the existence of which qualified the redevelopment area as a blighted area,
111 conservation area, economic development area, or combination thereof, and to thereby enhance
112 the tax bases of the taxing districts which extend into the redevelopment area. Each
113 redevelopment plan shall conform to the requirements of section 99.810;

114 ~~[(14)]~~ **(15)** "Redevelopment project", any development project within a redevelopment
115 area in furtherance of the objectives of the redevelopment plan; any such redevelopment project
116 shall include a legal description of the area selected for the redevelopment project;

117 ~~[(15)]~~ **(16)** "Redevelopment project costs" include the sum total of all reasonable or
118 necessary costs incurred or estimated to be incurred, and any such costs incidental to a
119 redevelopment plan or redevelopment project, as applicable. Such costs include, but are not
120 limited to, the following:

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

122 (b) Professional service costs, including, but not limited to, architectural, engineering,
123 legal, marketing, financial, planning or special services. Except the reasonable costs incurred

124 by the commission established in section 99.820 for the administration of sections 99.800 to
125 99.865, such costs shall be allowed only as an initial expense which, to be recoverable, shall be
126 included in the costs of a redevelopment plan or project;

127 (c) Property assembly costs, including, but not limited to:

128 a. Acquisition of land and other property, real or personal, or rights or interests therein;

129 b. Demolition of buildings; and

130 c. The clearing and grading of land;

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

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

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

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

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

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

146 (j) Payments in lieu of taxes;

147 [~~16~~] (17) "Special allocation fund", the fund of a municipality or its commission which
148 contains at least two separate segregated accounts for each redevelopment plan, maintained by
149 the treasurer of the municipality or the treasurer of the commission into which payments in lieu
150 of taxes are deposited in one account, and economic activity taxes and other revenues are
151 deposited in the other account;

152 [~~17~~] (18) "Special taxing district", a fire protection district or other political
153 subdivision that levies a sales tax whose revenue is dedicated to a purpose within such
154 district. "Special taxing district" shall include a municipality or county that levies a sales
155 tax whose revenue is dedicated to a purpose other than the municipality's or county's
156 general revenue including, but not limited to, education and public safety;

157 (19) "Taxing districts", any political subdivision of this state having the power to levy
158 taxes;

159 ~~[(18)]~~ **(20)** "Taxing districts' capital costs", those costs of taxing districts for capital
160 improvements that are found by the municipal governing bodies to be necessary and to directly
161 result from the redevelopment project; and

162 ~~[(19)]~~ **(21)** "Vacant land", any parcel or combination of parcels of real property not used
163 for 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) ~~For~~ **For all municipalities, nine members as follows:**

89 (a) Two members shall be appointed by the school boards whose districts are included
90 within the redevelopment plan or redevelopment area. Such members shall be appointed in any
91 manner agreed upon by the affected districts;

92 ~~[(2) In all municipalities]~~ (b) One member shall be appointed, in any manner agreed
93 upon by the affected districts, to represent all **special taxing districts** or other districts levying
94 ad valorem taxes within the area selected for a redevelopment project or the redevelopment area,
95 excluding representatives of the governing body of the municipality; **and**

96 ~~[(3) In all municipalities]~~ (c) Six members shall be appointed by the chief elected officer
97 of the municipality, with the consent of the majority of the governing body of the municipality.
98 **If the municipality is a city, village, or incorporated town located in a county, then no more**
99 **than four members shall be appointed by the chief elected officer of such city, village, or**
100 **incorporated town, and the remainder shall be appointed by the chief elected officer of the**
101 **county; and**

102 ~~[(4)]~~ (2) In ~~[all municipalities which are]~~ **addition to the members under subdivision**
103 **(1) of this subsection, any municipality that is not [counties] a county and not in a [first class]**

104 county with a charter form of government having a population in excess of nine hundred
105 thousand[;] **shall have** two **additional** members [~~shall be~~] appointed by the county of such
106 municipality in the same manner as members are appointed in **paragraph (c) of** subdivision [~~(3)~~]
107 **(1)** of this subsection; **or**

108 [~~(5)~~] **(3)** In **addition to the members under subdivision (1) of this subsection**, a
109 municipality [~~which~~] **that** is a county with a charter form of government having a population in
110 excess of nine hundred thousand[;] **shall have** three **additional** members [~~shall be~~] appointed
111 by the cities in the county which have tax increment financing districts in a manner in which the
112 cities shall agree; **or**

113 [~~(6)~~] **(4)** In **addition to the members under subdivision (1) of this subsection**, a
114 municipality [~~which~~] **that** is located in [~~the first class~~] a county with a charter form of
115 government having a population in excess of nine hundred thousand[;] **shall have** three
116 **additional** members [~~shall be~~] appointed by the county of such municipality in the same manner
117 as members are appointed in **paragraph (c) of** subdivision [~~(3)~~] **(1)** of this subsection[;]
118 ~~——(7)~~ .

119

120 At the option of the members appointed by the municipality, the members who are appointed by
121 the school boards and other taxing districts may serve on the commission for a term to coincide
122 with the length of time a redevelopment project, redevelopment plan or designation of a
123 redevelopment area is considered for approval by the commission, or for a definite term pursuant
124 to this subdivision. If the members representing school districts and other taxing districts are
125 appointed for a term coinciding with the length of time a redevelopment project, plan or area is
126 approved, such term shall terminate upon final approval of the project, plan or designation of the
127 area by the governing body of the municipality. Thereafter the commission shall consist of the
128 six members appointed by the municipality, except that members representing school boards and
129 other taxing districts shall be appointed as provided in this section prior to any amendments to
130 any redevelopment plans, redevelopment projects or designation of a redevelopment area. If any
131 school district or other taxing jurisdiction fails to appoint members of the commission within
132 thirty days of receipt of written notice of a proposed redevelopment plan, redevelopment project
133 or designation of a redevelopment area, the remaining members may proceed to exercise the
134 power of the commission. Of the members first appointed by the municipality, two shall be
135 designated to serve for terms of two years, two shall be designated to serve for a term of three
136 years and two shall be designated to serve for a term of four years from the date of such initial
137 appointments. Thereafter, the members appointed by the municipality shall serve for a term of
138 four years, except that all vacancies shall be filled for unexpired terms in the same manner as
139 were the original appointments. Members appointed by the county executive or presiding

140 commissioner prior to August 28, 2008, shall continue their service on the commission
141 established in subsection 3 of this section without further appointment unless the county
142 executive or presiding commissioner appoints a new member or members.

143 3. Beginning August 28, 2008:

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

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

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

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

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

162

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

168 (2) Members appointed to the commission created under this subsection, except those
169 six members appointed by either the county executive or presiding commissioner, shall serve on
170 the commission for a term to coincide with the length of time a redevelopment project,
171 redevelopment plan, or designation of a redevelopment area is considered for approval by the
172 commission. The six members appointed by either the county executive or the presiding
173 commissioner shall serve on all such commissions until replaced. The city, town, or village that
174 creates a commission under this subsection shall send notice thereof by certified mail to the
175 county executive or presiding commissioner, to the school districts whose boundaries include

176 any portion of the proposed redevelopment area, and to the other taxing districts whose
177 boundaries include any portion of the proposed redevelopment area. The city, town, or village
178 that creates the commission shall also be solely responsible for notifying all other cities, towns,
179 and villages in the county that have tax increment financing districts and shall exercise all
180 administrative functions of the commission. The school districts receiving notice from the city,
181 town, or village shall be solely responsible for notifying the other school districts within the
182 county of the formation of the commission. If the county, school board, or other taxing district
183 fails to appoint members to the commission within thirty days after the city, town, or village
184 sends the written notice, as provided herein, that it has convened such a commission or within
185 thirty days of the expiration of any such member's term, the remaining duly appointed members
186 of the commission may exercise the full powers of the commission.

187 4. (1) Any commission created under this section, subject to approval of the governing
188 body of the municipality, may exercise the powers enumerated in sections 99.800 to 99.865,
189 except final approval of plans, projects and designation of redevelopment areas. The
190 commission shall hold public hearings and provide notice pursuant to sections 99.825 and
191 99.830.

192 (2) Any commission created under subsection 2 of this section shall vote on all proposed
193 redevelopment plans, redevelopment projects and designations of redevelopment areas, and
194 amendments thereto, within thirty days following completion of the hearing on any such plan,
195 project or designation and shall make recommendations to the governing body within ninety days
196 of the hearing referred to in section 99.825 concerning the adoption of or amendment to
197 redevelopment plans and redevelopment projects and the designation of redevelopment areas.
198 The requirements of subsection 2 of this section and this subsection shall not apply to
199 redevelopment projects upon which the required hearings have been duly held prior to August
200 31, 1991.

201 (3) Any commission created under subsection 3 of this section shall, within fifteen days
202 of the receipt of a redevelopment plan meeting the minimum requirements of section 99.810, as
203 determined by counsel to the city, town, or village creating the commission and a request by the
204 applicable city, town, or village for a public hearing, fix a time and place for the public hearing
205 referred to in section 99.825. The public hearing shall be held no later than seventy-five days
206 from the commission's receipt of such redevelopment plan and request for public hearing. The
207 commission shall vote and make recommendations to the governing body of the city, town, or
208 village requesting the public hearing on all proposed redevelopment plans, redevelopment
209 projects, and designations of redevelopment areas, and amendments thereto within thirty days
210 following the completion of the public hearing. A recommendation of approval shall only be
211 deemed to occur if a majority of the commissioners voting on such plan, project, designation,

212 or amendment thereto vote for approval. A tied vote shall be considered a recommendation in
213 opposition. If the commission fails to vote **in favor for a recommendation for approval** within
214 thirty days following the completion of the public hearing referred to in section 99.825
215 concerning the proposed redevelopment plan, redevelopment project, or designation of
216 redevelopment area, or amendments thereto, such plan, project, designation, or amendment
217 thereto shall be deemed rejected by the commission.

218 **5. Beginning August 28, 2018:**

219 **(1) All redevelopment plans, before final approval of the project, shall obtain an**
220 **opinion from the department of economic development as to whether the redevelopment**
221 **plan is financially feasible without economic activity taxes and payments in lieu of taxes;**

222 **(2) The department shall assume that the redevelopment plan is financially feasible**
223 **without economic activity taxes and payments in lieu of taxes, and the burden shall be on**
224 **the proponents of the redevelopment plan to show otherwise;**

225 **(3) No redevelopment plan that the department of economic development**
226 **determines is feasible without economic activity taxes and payments in lieu of taxes shall**
227 **be implemented; and**

228 **(4) The department of economic development may promulgate rules to implement**
229 **the provisions of this subsection. Any rule or portion of a rule, as that term is defined in**
230 **section 536.010, that is created under the authority delegated in this section shall become**
231 **effective only if it complies with and is subject to all of the provisions of chapter 536 and,**
232 **if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any**
233 **of the powers vested with the general assembly pursuant to chapter 536 to review, to delay**
234 **the effective date, or to disapprove and annul a rule are subsequently held**
235 **unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted**
236 **after August 28, 2018, shall be invalid and void.**

237 **6.** It shall be the policy of the state that each redevelopment plan or project of a
238 municipality be carried out with full transparency to the public. The records of the tax increment
239 financing commission including, but not limited to, commission votes and actions, meeting
240 minutes, summaries of witness testimony, data, and reports submitted to the commission shall
241 be retained by the governing body of the municipality that created the commission and shall be
242 made available to the public in accordance with chapter 610.

99.843. Notwithstanding the provisions of sections 99.800 to 99.865 to the contrary, no
2 new tax increment financing project shall be authorized in any greenfield area, as such term is
3 defined in section 99.805[~~that is located within a city not within a county or any county subject~~
4 ~~to the authority of the East-West Gateway Council of Governments. Municipalities not subject~~

5 to the authority of the East-West Gateway Council of Governments may authorize tax increment
6 finance projects in greenfield areas].

99.845. 1. A municipality, either at the time a redevelopment project is approved or, in
2 the event a municipality has undertaken acts establishing a redevelopment plan and
3 redevelopment project and has designated a redevelopment area after the passage and approval
4 of sections 99.800 to 99.865 but prior to August 13, 1982, which acts are in conformance with
5 the procedures of sections 99.800 to 99.865, may adopt tax increment allocation financing by
6 passing an ordinance providing that after the total equalized assessed valuation of the taxable real
7 property in a redevelopment project exceeds the certified total initial equalized assessed
8 valuation of the taxable real property in the redevelopment project, the ad valorem taxes, and
9 payments in lieu of taxes, if any, arising from the levies upon taxable real property in such
10 redevelopment project by taxing districts and tax rates determined in the manner provided in
11 subsection 2 of section 99.855 each year after the effective date of the ordinance until
12 redevelopment costs have been paid shall be divided as follows:

13 (1) That portion of taxes, penalties and interest levied upon each taxable lot, block, tract,
14 or parcel of real property which is attributable to the initial equalized assessed value of each such
15 taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment
16 project shall be allocated to and, when collected, shall be paid by the county collector to the
17 respective affected taxing districts in the manner required by law in the absence of the adoption
18 of tax increment allocation financing;

19 (2) (a) Payments in lieu of taxes attributable to the increase in the current equalized
20 assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected
21 for the redevelopment project and any applicable penalty and interest over and above the initial
22 equalized assessed value of each such unit of property in the area selected for the redevelopment
23 project shall be allocated to and, when collected, shall be paid to the municipal treasurer who
24 shall deposit such payment in lieu of taxes into a special fund called the "Special Allocation
25 Fund" of the municipality for the purpose of paying redevelopment costs and obligations incurred
26 in the payment thereof. Beginning August 28, 2014, if the voters in a taxing district vote to
27 approve an increase in such taxing district's levy rate for ad valorem tax on real property, any
28 additional revenues generated within an existing redevelopment project area that are directly
29 attributable to the newly voter-approved incremental increase in such taxing district's levy rate
30 shall not be considered payments in lieu of taxes subject to deposit into a special allocation fund
31 without the consent of such taxing district. Revenues will be considered directly attributable to
32 the newly voter-approved incremental increase to the extent that they are generated from the
33 difference between the taxing district's actual levy rate currently imposed and the maximum
34 voter-approved levy rate at the time that the redevelopment project was adopted. Payments in

35 lieu of taxes which are due and owing shall constitute a lien against the real estate of the
36 redevelopment project from which they are derived and shall be collected in the same manner
37 as the real property tax, including the assessment of penalties and interest where applicable. The
38 municipality may, in the ordinance, pledge the funds in the special allocation fund for the
39 payment of such costs and obligations and provide for the collection of payments in lieu of taxes,
40 the lien of which may be foreclosed in the same manner as a special assessment lien as provided
41 in section 88.861. No part of the current equalized assessed valuation of each lot, block, tract,
42 or parcel of property in the area selected for the redevelopment project attributable to any
43 increase above the total initial equalized assessed value of such properties shall be used in
44 calculating the general state school aid formula provided for in section 163.031 until such time
45 as all redevelopment costs have been paid as provided for in this section and section 99.850[-]
46 ;

47 (b) Notwithstanding any provisions of this section to the contrary, for purposes of
48 determining the limitation on indebtedness of local government pursuant to Article VI, Section
49 26(b) of the Missouri Constitution, the current equalized assessed value of the property in an area
50 selected for redevelopment attributable to the increase above the total initial equalized assessed
51 valuation shall be included in the value of taxable tangible property as shown on the last
52 completed assessment for state or county purposes[-] ;

53 (c) The county assessor shall include the current assessed value of all property within
54 the taxing district in the aggregate valuation of assessed property entered upon the assessor's
55 book and verified pursuant to section 137.245, and such value shall be utilized for the purpose
56 of the debt limitation on local government pursuant to Article VI, Section 26(b) of the Missouri
57 Constitution;

58 (3) For purposes of this section, "levies upon taxable real property in such redevelopment
59 project by taxing districts" shall not include the blind pension fund tax levied under the authority
60 of Article III, Section 38(b) of the Missouri Constitution, or the merchants' and manufacturers'
61 inventory replacement tax levied under the authority of subsection 2 of Section 6 of Article X
62 of the Missouri Constitution, except in redevelopment project areas in which tax increment
63 financing has been adopted by ordinance pursuant to a plan approved by vote of the governing
64 body of the municipality taken after August 13, 1982, and before January 1, 1998;

65 **(4) The board or body that oversees a special taxing district, as that term is defined**
66 **under section 99.805, may elect to have the property or sales taxes levied by such district**
67 **excluded from a tax increment allocation financing project or plan by passing a resolution**
68 **by two-thirds majority prior to the time the project or plan is adopted or approved by**
69 **ordinance. At least ten days prior to the vote on the resolution, the board shall post notice**
70 **of and hold a public hearing. If the resolution passes, the board shall notify the director**

71 **of revenue and county collector. If the resolution passes, subdivisions (1) and (2) of this**
72 **subsection shall not apply to any tax levied by the special taxing district, and all revenue**
73 **from such tax shall be allocated to the district and shall not be allocated to redevelopment**
74 **costs and obligations; and**

75 **(5) A school board of a school district may elect to have the portion of property tax**
76 **revenue allocated to the school district by a county or municipality excluded from a tax**
77 **increment allocation financing project or plan by passing a resolution by two-thirds**
78 **majority prior to the time the project or plan is adopted or approved by ordinance. At**
79 **least ten days prior to the vote on the resolution, the board shall post notice of and hold a**
80 **public hearing. If the resolution passes, the board shall notify the director of revenue and**
81 **county collector. If the resolution passes, subdivision (2) of this subsection shall not apply**
82 **to the percentage of property tax revenue equal to the average percentage of property tax**
83 **revenue allocated to the school district over the preceding five years, and such percentage**
84 **of revenue attributable to the increase in the current equalized assessed valuation of each**
85 **taxable lot, block, tract, or parcel of real property within the redevelopment project area**
86 **shall be allocated to the school district and shall not be allocated to redevelopment costs**
87 **and obligations.**

88 2. In addition to the payments in lieu of taxes described in subdivision (2) of subsection
89 1 of this section, for redevelopment plans and projects adopted or redevelopment projects
90 approved by ordinance after July 12, 1990, and prior to August 31, 1991, fifty percent of the total
91 additional revenue from taxes, penalties and interest imposed by the municipality, or other taxing
92 districts, which are generated by economic activities within the area of the redevelopment project
93 over the amount of such taxes generated by economic activities within the area of the
94 redevelopment project in the calendar year prior to the adoption of the redevelopment project by
95 ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales
96 or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant
97 to section 70.500, licenses, fees or special assessments other than payments in lieu of taxes and
98 any penalty and interest thereon, or, effective January 1, 1998, taxes levied pursuant to section
99 94.660, for the purpose of public transportation, shall be allocated to, and paid by the local
100 political subdivision collecting officer to the treasurer or other designated financial officer of the
101 municipality, who shall deposit such funds in a separate segregated account within the special
102 allocation fund. Any provision of an agreement, contract or covenant entered into prior to July
103 12, 1990, between a municipality and any other political subdivision which provides for an
104 appropriation of other municipal revenues to the special allocation fund shall be and remain
105 enforceable.

106 3. In addition to the payments in lieu of taxes described in subdivision (2) of subsection
107 1 of this section, for redevelopment plans and projects adopted or redevelopment projects
108 approved by ordinance after August 31, 1991, fifty percent of the total additional revenue from
109 taxes, penalties and interest which are imposed by the municipality or other taxing districts, and
110 which are generated by economic activities within the area of the redevelopment project over the
111 amount of such taxes generated by economic activities within the area of the redevelopment
112 project in the calendar year prior to the adoption of the redevelopment project by ordinance,
113 while tax increment financing remains in effect, but excluding personal property taxes, taxes
114 imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels,
115 taxes levied pursuant to section 70.500, taxes levied for the purpose of public transportation
116 pursuant to section 94.660, taxes imposed on sales pursuant to subsection 2 of section 67.1712
117 for the purpose of operating and maintaining a metropolitan park and recreation district, licenses,
118 fees or special assessments other than payments in lieu of taxes and penalties and interest
119 thereon, any sales tax imposed by a county with a charter form of government and with more
120 than six hundred thousand but fewer than seven hundred thousand inhabitants, for the purpose
121 of sports stadium improvement or levied by such county under section 238.410 for the purpose
122 of the county transit authority operating transportation facilities, or for redevelopment plans and
123 projects adopted or redevelopment projects approved by ordinance after August 28, 2013, taxes
124 imposed on sales under and pursuant to section 67.700 or 650.399 for the purpose of emergency
125 communication systems, shall be allocated to, and paid by the local political subdivision
126 collecting officer to the treasurer or other designated financial officer of the municipality, who
127 shall deposit such funds in a separate segregated account within the special allocation fund.
128 Beginning August 28, 2014, if the voters in a taxing district vote to approve an increase in such
129 taxing district's sales tax or use tax, other than the renewal of an expiring sales or use tax, any
130 additional revenues generated within an existing redevelopment project area that are directly
131 attributable to the newly voter-approved incremental increase in such taxing district's levy rate
132 shall not be considered economic activity taxes subject to deposit into a special allocation fund
133 without the consent of such taxing district.

134 4. Beginning January 1, 1998, for redevelopment plans and projects adopted or
135 redevelopment projects approved by ordinance and which have complied with subsections 4 to
136 12 of this section, in addition to the payments in lieu of taxes and economic activity taxes
137 described in subsections 1, 2 and 3 of this section, up to fifty percent of the new state revenues,
138 as defined in subsection 8 of this section, estimated for the businesses within the project area and
139 identified by the municipality in the application required by subsection 10 of this section, over
140 and above the amount of such taxes reported by businesses within the project area as identified
141 by the municipality in their application prior to the approval of the redevelopment project by

142 ordinance, while tax increment financing remains in effect, may be available for appropriation
143 by the general assembly as provided in subsection 10 of this section to the department of
144 economic development supplemental tax increment financing fund, from the general revenue
145 fund, for distribution to the treasurer or other designated financial officer of the municipality
146 with approved plans or projects.

147 5. The treasurer or other designated financial officer of the municipality with approved
148 plans or projects shall deposit such funds in a separate segregated account within the special
149 allocation fund established ~~[pursuant to section]~~ **under sections 99.805 to 99.865.**

150 6. No transfer from the general revenue fund to the Missouri supplemental tax increment
151 financing fund shall be made unless an appropriation is made from the general revenue fund for
152 that purpose. No municipality shall commit any state revenues prior to an appropriation being
153 made for that project. For all redevelopment plans or projects adopted or approved after
154 December 23, 1997, appropriations from the new state revenues shall not be distributed from the
155 Missouri supplemental tax increment financing fund into the special allocation fund unless the
156 municipality's redevelopment plan ensures that one hundred percent of payments in lieu of taxes
157 and fifty percent of economic activity taxes generated by the project shall be used for eligible
158 redevelopment project costs while tax increment financing remains in effect. This account shall
159 be separate from the account into which payments in lieu of taxes are deposited, and separate
160 from the account into which economic activity taxes are deposited.

161 7. In order for the redevelopment plan or project to be eligible to receive the revenue
162 described in subsection 4 of this section, the municipality shall comply with the requirements of
163 subsection 10 of this section prior to the time the project or plan is adopted or approved by
164 ordinance. The director of the department of economic development and the commissioner of
165 the office of administration may waive the requirement that the municipality's application be
166 submitted prior to the redevelopment plan's or project's adoption or the redevelopment plan's or
167 project's approval by ordinance.

168 8. For purposes of this section, "new state revenues" means:

169 (1) The incremental increase in the general revenue portion of state sales tax revenues
170 received pursuant to section 144.020, excluding sales taxes that are constitutionally dedicated,
171 taxes deposited to the school district trust fund in accordance with section 144.701, sales and use
172 taxes on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by
173 law. In no event shall the incremental increase include any amounts attributable to retail sales
174 unless the municipality or authority has proven to the Missouri development finance board and
175 the department of economic development and such entities have made a finding that the sales
176 tax increment attributable to retail sales is from new sources which did not exist in the state
177 during the baseline year. The incremental increase in the general revenue portion of state sales

178 tax revenues for an existing or relocated facility shall be the amount that current state sales tax
179 revenue exceeds the state sales tax revenue in the base year as stated in the redevelopment plan
180 as provided in subsection 10 of this section; or

181 (2) The state income tax withheld on behalf of new employees by the employer pursuant
182 to section 143.221 at the business located within the project as identified by the municipality.
183 The state income tax withholding allowed by this section shall be the municipality's estimate of
184 the amount of state income tax withheld by the employer within the redevelopment area for new
185 employees who fill new jobs directly created by the tax increment financing project.

186 9. Subsection 4 of this section shall apply only to the following:

187 (1) Blighted areas located in enterprise zones, pursuant to sections 135.200 to 135.256,
188 blighted areas located in federal empowerment zones, or to blighted areas located in central
189 business districts or urban core areas of cities which districts or urban core areas at the time of
190 approval of the project by ordinance, provided that the enterprise zones, federal empowerment
191 zones or blighted areas contained one or more buildings at least fifty years old; and

192 (a) Suffered from generally declining population or property taxes over the twenty-year
193 period immediately preceding the area's designation as a project area by ordinance; or

194 (b) Was a historic hotel located in a county of the first classification without a charter
195 form of government with a population according to the most recent federal decennial census in
196 excess of one hundred fifty thousand and containing a portion of a city with a population
197 according to the most recent federal decennial census in excess of three hundred fifty thousand;

198 (2) Blighted areas consisting solely of the site of a former automobile manufacturing
199 plant located in any county with a charter form of government and with more than nine hundred
200 fifty thousand inhabitants. For the purposes of this section, "former automobile manufacturing
201 plant" means a redevelopment area containing a minimum of one hundred acres, and such
202 redevelopment area was previously used primarily for the manufacture of automobiles but ceased
203 such manufacturing after the 2007 calendar year; or

204 (3) Blighted areas consisting solely of the site of a former insurance company national
205 service center containing a minimum of one hundred acres located in any county with a charter
206 form of government and with more than nine hundred fifty thousand inhabitants.

207 10. The initial appropriation of up to fifty percent of the new state revenues authorized
208 pursuant to subsection 4 of this section shall not be made to or distributed by the department of
209 economic development to a municipality until all of the following conditions have been satisfied:

210 (1) The director of the department of economic development or his or her designee and
211 the commissioner of the office of administration or his or her designee have approved a tax
212 increment financing application made by the municipality for the appropriation of the new state

213 revenues. The municipality shall include in the application the following items in addition to the
214 items in section 99.810:

215 (a) The tax increment financing district or redevelopment area, including the businesses
216 identified within the redevelopment area;

217 (b) The base year of state sales tax revenues or the base year of state income tax withheld
218 on behalf of existing employees, reported by existing businesses within the project area prior to
219 approval of the redevelopment project;

220 (c) The estimate of the incremental increase in the general revenue portion of state sales
221 tax revenue or the estimate for the state income tax withheld by the employer on behalf of new
222 employees expected to fill new jobs created within the redevelopment area after redevelopment;

223 (d) The official statement of any bond issue pursuant to this subsection after December
224 23, 1997;

225 (e) An affidavit that is signed by the developer or developers attesting that the provisions
226 of subdivision (1) of subsection 1 of section 99.810 have been met and specifying that the
227 redevelopment area would not be reasonably anticipated to be developed without the
228 appropriation of the new state revenues;

229 (f) The cost-benefit analysis required by section 99.810 includes a study of the fiscal
230 impact on the state of Missouri;

231 (g) The statement of election between the use of the incremental increase of the general
232 revenue portion of the state sales tax revenues or the state income tax withheld by employers on
233 behalf of new employees who fill new jobs created in the redevelopment area;

234 (h) The name, street and mailing address, and phone number of the mayor or chief
235 executive officer of the municipality;

236 (i) The street address of the development site;

237 (j) The three-digit North American Industry Classification System number or numbers
238 characterizing the development project;

239 (k) The estimated development project costs;

240 (l) The anticipated sources of funds to pay such development project costs;

241 (m) Evidence of the commitments to finance such development project costs;

242 (n) The anticipated type and term of the sources of funds to pay such development
243 project costs;

244 (o) The anticipated type and terms of the obligations to be issued;

245 (p) The most recent equalized assessed valuation of the property within the development
246 project area;

247 (q) An estimate as to the equalized assessed valuation after the development project area
248 is developed in accordance with a development plan;

- 249 (r) The general land uses to apply in the development area;
- 250 (s) The total number of individuals employed in the development area, broken down by
251 full-time, part-time, and temporary positions;
- 252 (t) The total number of full-time equivalent positions in the development area;
- 253 (u) The current gross wages, state income tax withholdings, and federal income tax
254 withholdings for individuals employed in the development area;
- 255 (v) The total number of individuals employed in this state by the corporate parent of any
256 business benefitting from public expenditures in the development area, and all subsidiaries
257 thereof, as of December thirty-first of the prior fiscal year, broken down by full-time, part-time,
258 and temporary positions;
- 259 (w) The number of new jobs to be created by any business benefitting from public
260 expenditures in the development area, broken down by full-time, part-time, and temporary
261 positions;
- 262 (x) The average hourly wage to be paid to all current and new employees at the project
263 site, broken down by full-time, part-time, and temporary positions;
- 264 (y) For project sites located in a metropolitan statistical area, as defined by the federal
265 Office of Management and Budget, the average hourly wage paid to nonmanagerial employees
266 in this state for the industries involved at the project, as established by the United States Bureau
267 of Labor Statistics;
- 268 (z) For project sites located outside of metropolitan statistical areas, the average weekly
269 wage paid to nonmanagerial employees in the county for industries involved at the project, as
270 established by the United States Department of Commerce;
- 271 (aa) A list of other community and economic benefits to result from the project;
- 272 (bb) A list of all development subsidies that any business benefitting from public
273 expenditures in the development area has previously received for the project, and the name of
274 any other granting body from which such subsidies are sought;
- 275 (cc) A list of all other public investments made or to be made by this state or units of
276 local government to support infrastructure or other needs generated by the project for which the
277 funding pursuant to this section is being sought;
- 278 (dd) A statement as to whether the development project may reduce employment at any
279 other site, within or without the state, resulting from automation, merger, acquisition, corporate
280 restructuring, relocation, or other business activity;
- 281 (ee) A statement as to whether or not the project involves the relocation of work from
282 another address and if so, the number of jobs to be relocated and the address from which they
283 are to be relocated;

284 (ff) A list of competing businesses in the county containing the development area and
285 in each contiguous county;

286 (gg) A market study for the development area;

287 (hh) A certification by the chief officer of the applicant as to the accuracy of the
288 development plan;

289 (2) The methodologies used in the application for determining the base year and
290 determining the estimate of the incremental increase in the general revenue portion of the state
291 sales tax revenues or the state income tax withheld by employers on behalf of new employees
292 who fill new jobs created in the redevelopment area shall be approved by the director of the
293 department of economic development or his or her designee and the commissioner of the office
294 of administration or his or her designee. Upon approval of the application, the director of the
295 department of economic development or his or her designee and the commissioner of the office
296 of administration or his or her designee shall issue a certificate of approval. The department of
297 economic development may request the appropriation following application approval;

298 (3) The appropriation shall be either a portion of the estimate of the incremental increase
299 in the general revenue portion of state sales tax revenues in the redevelopment area or a portion
300 of the estimate of the state income tax withheld by the employer on behalf of new employees
301 who fill new jobs created in the redevelopment area as indicated in the municipality's application,
302 approved by the director of the department of economic development or his or her designee and
303 the commissioner of the office of administration or his or her designee. At no time shall the
304 annual amount of the new state revenues approved for disbursements from the Missouri
305 supplemental tax increment financing fund exceed thirty-two million dollars; provided, however,
306 that such thirty-two million dollar cap shall not apply to redevelopment plans or projects initially
307 listed by name in the applicable appropriations bill after August 28, 2015, which involve either:

308 (a) A former automobile manufacturing plant; or

309 (b) The retention of a federal employer employing over two thousand geospatial
310 intelligence jobs.

311

312 At no time shall the annual amount of the new state revenues for disbursements from the
313 Missouri supplemental tax increment financing fund for redevelopment plans and projects
314 eligible under the provisions of paragraph (a) of this subdivision exceed four million dollars in
315 the aggregate. At no time shall the annual amount of the new state revenues for disbursements
316 from the Missouri supplemental tax increment financing fund for redevelopment plans and
317 projects eligible under the provisions of paragraph (b) of this subdivision exceed twelve million
318 dollars in the aggregate. To the extent a redevelopment plan or project independently meets the
319 eligibility criteria set forth in both paragraphs (a) and (b) of this subdivision, then at no such time

320 shall the annual amount of new state revenues for disbursements from the Missouri supplemental
321 tax increment financing fund for such eligible redevelopment plan or project exceed twelve
322 million dollars in the aggregate;

323 (4) Redevelopment plans and projects receiving new state revenues shall have a duration
324 of up to fifteen years, unless prior approval for a longer term is given by the director of the
325 department of economic development or his or her designee and the commissioner of the office
326 of administration or his or her designee; except that, in no case shall the duration exceed
327 twenty-three years.

328 11. In addition to the areas authorized in subsection 9 of this section, the funding
329 authorized pursuant to subsection 4 of this section shall also be available in a federally approved
330 levee district, where construction of a levee begins after December 23, 1997, and which is
331 contained within a county of the first classification without a charter form of government with
332 a population between fifty thousand and one hundred thousand inhabitants which contains all
333 or part of a city with a population in excess of four hundred thousand or more inhabitants.

334 12. There is hereby established within the state treasury a special fund to be known as
335 the "Missouri Supplemental Tax Increment Financing Fund", to be administered by the
336 department of economic development. The department shall annually distribute from the
337 Missouri supplemental tax increment financing fund the amount of the new state revenues as
338 appropriated as provided in the provisions of subsection 4 of this section if and only if the
339 conditions of subsection 10 of this section are met. The fund shall also consist of any gifts,
340 contributions, grants or bequests received from federal, private or other sources. Moneys in the
341 Missouri supplemental tax increment financing fund shall be disbursed per project pursuant to
342 state appropriations.

343 13. Redevelopment project costs may include, at the prerogative of the state, the portion
344 of salaries and expenses of the department of economic development and the department of
345 revenue reasonably allocable to each redevelopment project approved for disbursements from
346 the Missouri supplemental tax increment financing fund for the ongoing administrative functions
347 associated with such redevelopment project. Such amounts shall be recovered from new state
348 revenues deposited into the Missouri supplemental tax increment financing fund created under
349 this section.

350 14. For redevelopment plans or projects approved by ordinance that result in net new
351 jobs from the relocation of a national headquarters from another state to the area of the
352 redevelopment project, the economic activity taxes and new state tax revenues shall not be based
353 on a calculation of the incremental increase in taxes as compared to the base year or prior
354 calendar year for such redevelopment project, rather the incremental increase shall be the amount
355 of total taxes generated from the net new jobs brought in by the national headquarters from

356 another state. In no event shall this subsection be construed to allow a redevelopment project
357 to receive an appropriation in excess of up to fifty percent of the new state revenues.

358 15. Notwithstanding any other provision of the law to the contrary, the adoption of any
359 tax increment financing authorized under sections 99.800 to 99.865 shall not supersede, alter,
360 or reduce in any way a property tax levied under section 205.971.

238.202. 1. As used in sections 238.200 to 238.275, the following terms mean:

2 (1) "Board", the board of directors of a district;

3 (2) "Commission", the Missouri highways and transportation commission;

4 (3) "District", a transportation development district organized under sections 238.200
5 to 238.275;

6 (4) **"Greenfield area", any vacant, unimproved, or agricultural property that is**
7 **located wholly outside the incorporated limits of a city, town, or village, or that is**
8 **substantially surrounded by contiguous properties with agricultural zoning classifications**
9 **or uses unless said property was annexed into the incorporated limits of a city, town, or**
10 **village ten years prior to the filing of a petition requesting the creation of a district;**

11 (5) "Local transportation authority", a county, city, town, village, county highway
12 commission, special road district, interstate compact agency, or any local public authority or
13 political subdivision having jurisdiction over any bridge, street, highway, dock, wharf, ferry, lake
14 or river port, airport, railroad, light rail or other transit improvement or service;

15 ~~(5)~~ (6) **"Previously commercial land", an area that for the previous forty years**
16 **was continuously assessed as utility, industrial, commercial, railroad, and all other real**
17 **property and not as residential property or agricultural or horticultural property as those**
18 **subclasses are named under article X, section 4(b) of the Constitution of Missouri;**

19 (7) "Project" includes any bridge, street, road, highway, access road, interchange,
20 intersection, signing, signalization, parking lot, bus stop, station, garage, terminal, hangar,
21 shelter, rest area, dock, wharf, lake or river port, airport, railroad, light rail, or public mass
22 transportation system and any similar or related improvement or infrastructure. In the case of
23 a district located in a home rule city with more than four hundred thousand inhabitants and
24 located in more than one county, whose district boundaries are contained solely within that
25 portion of such a home rule city that is contained within a county with a charter form of
26 government and with more than six hundred thousand but fewer than seven hundred thousand
27 inhabitants, the term project shall also include the operation of a street car or other rail-based or
28 fixed guideway public mass transportation system, and the revenue of such district may be used
29 to pay for the design, construction, ownership and operation of such a street car or other
30 rail-based or fixed guideway public mass transportation system, but not the operation of a bus

31 system located within such district, by such district or such municipality, or by a local
32 transportation authority having jurisdiction within such municipality;

33 ~~[(6)]~~ (8) "Public mass transportation system", a transportation system owned or operated
34 by a governmental or quasi-governmental entity, employing motor buses, rails, or any other
35 means of conveyance, by whatsoever type of power, operated for public use in the conveyance
36 of persons, mainly providing local transportation service within a municipality or a single
37 metropolitan statistical area.

38 2. For the purposes of Sections 11(c), 16 and 22 of Article X of the Constitution of
39 Missouri, section 137.073, and as used in sections 238.200 to 238.275, the following terms shall
40 have the meanings given:

41 (1) "Approval of the required majority" or "direct voter approval", a simple majority;

42 (2) "Qualified electors", "qualified voters" or "voters":

43 (a) Within a proposed or established district, except for a district proposed under
44 subsection 1 of section 238.207, any persons residing therein who have registered to vote
45 pursuant to chapter 115; or

46 (b) Within a district proposed or established under subsection 1 or 5 of section 238.207
47 which has no persons residing therein who have registered to vote pursuant to chapter 115, the
48 owners of record of all real property located in the district, who shall receive one vote per acre,
49 provided that if a registered voter subsequent to the creation of the district becomes a resident
50 within the district and obtains ownership of property within the district, such registered voter
51 must elect whether to vote as an owner of real property or as a registered voter, which election
52 once made cannot thereafter be changed;

53 (3) "Registered voters", persons qualified and registered to vote pursuant to chapter 115.

54 **238.206. Any developer seeking to create a district shall complete a cost-benefit**
55 **analysis and have such analysis approved by a majority vote of the commission. Such**
56 **analysis shall include a but-for test examining whether the proposed developments would**
57 **occur but for the establishment of the district. The commission shall not approve any**
58 **analysis it deems failed the but-for test.**

238.207. 1. Whenever the creation of a district is desired, not less than fifty registered
2 voters from each county partially or totally within the proposed district may file a petition
3 requesting the creation of a district. However, if no persons eligible to be registered voters reside
4 within the district, the owners of record of all of the real property, except public streets, located
5 within the proposed district may file a petition requesting the creation of a district. The petition
6 shall be filed in the circuit court of any county partially or totally within the proposed district.

7 2. Alternatively, the governing body of any local transportation authority within any
8 county in which a proposed project may be located may file a petition in the circuit court of that
9 county, requesting the creation of a district.

10 3. The proposed district area:

11 **(1) Shall not be within a greenfield area;**

12 **(2) Shall be previously commercial land;**

13 **(3) Shall only be located in:**

14 **(a) Any county of the first classification with more than ninety-two thousand but**
15 **fewer than one hundred one thousand inhabitants;**

16 **(b) Any county of the first classification with more than two hundred thousand but**
17 **fewer than two hundred sixty thousand inhabitants;**

18 **(c) Any county of the first classification with more than two hundred sixty**
19 **thousand but fewer than three hundred thousand inhabitants;**

20 **(d) Any county with a charter form of government and with more than six hundred**
21 **thousand but fewer than seven hundred thousand inhabitants;**

22 **(e) Any county with a charter form of government and with more than two**
23 **hundred thousand but fewer than three hundred fifty thousand inhabitants;**

24 **(f) Any county of the first classification with more than eighty-three thousand but**
25 **fewer than ninety-two thousand inhabitants and with a city of the fourth classification with**
26 **more than four thousand five hundred but fewer than five thousand inhabitants as the**
27 **county seat;**

28 **(g) Any county with a charter form of government and with more than three**
29 **hundred thousand but fewer than four hundred fifty thousand inhabitants;**

30 **(h) A city not within a county; or**

31 **(i) Any county with a charter form of government and with more than nine**
32 **hundred fifty thousand inhabitants;**

33 **(4) May contain all or any portion of one or more municipalities and counties; and**

34 **(5) Shall be contiguous [and may contain all or any portion of one or more municipalities**
35 **and counties; provided:**

36 ~~——(1)] .~~ Property separated only by public streets, easements, or rights-of-way shall be
37 considered contiguous[;

38 ~~——(2)] .~~ **However:**

39 **(a)** In the case of a district formed pursuant to a petition filed by the owners of record
40 of all of the real property located within the proposed district, the proposed district area need not
41 contain contiguous properties if:

42 ~~[(a)]~~ **a.** The petition provides that the only funding method for project costs will be a
43 sales tax;

44 ~~[(b)]~~ **b.** The court finds that all of the real property located within the proposed district
45 will benefit by the projects to be undertaken by the district; and

46 ~~[(c)]~~ **c.** Each parcel within the district is within five miles of every other parcel; and

47 ~~[(3)]~~ **(b)** In the case of a district created pursuant to subsection 5 of this section, property
48 separated only by public streets, easements, or rights-of-way or connected by a single public
49 street, easement, or right-of-way shall be considered contiguous.

50 4. The petition shall set forth:

51 (1) The name, voting residence and county of residence of each individual petitioner, or,
52 if no persons eligible to be registered voters reside within the proposed district, the name and
53 address of each owner of record of real property located within the proposed district, or shall
54 recite that the petitioner is the governing body of a local transportation authority acting in its
55 official capacity;

56 (2) The name and address of each respondent. Respondents must include the
57 commission and each affected local transportation authority within the proposed district, except
58 a petitioning local transportation authority;

59 (3) A specific description of the proposed district boundaries including a map illustrating
60 such boundaries;

61 (4) A general description of each project proposed to be undertaken by that district,
62 including a description of the approximate location of each project;

63 (5) The estimated project costs and the anticipated revenues to be collected from the
64 project;

65 (6) The name of the proposed district;

66 (7) The number of members of the board of directors of the proposed district, which shall
67 be not less than five or more than fifteen;

68 (8) A statement that the terms of office of initial board members shall be staggered in
69 approximately equal numbers to expire in one, two or three years;

70 (9) If the petition was filed by registered voters or by a governing body, a request that
71 the question be submitted to the qualified voters within the limits of the proposed district
72 whether they will establish a transportation development district to develop a specified project
73 or projects;

74 (10) A proposal for funding the district initially, pursuant to the authority granted in
75 sections 238.200 to 238.275, together with a request that the funding proposal be submitted to
76 the qualified voters within the limits of the proposed district; provided, however, the funding

77 method of special assessments may also be approved as provided in subsection 1 of section
78 238.230;

79 (11) A statement that the proposed district shall not be an undue burden on any owner
80 of property within the district and is not unjust or unreasonable; and

81 (12) Details of the budgeted expenditures, including estimated expenditures for real
82 physical improvements, estimated land acquisition expenses, estimated expenses for professional
83 services and estimated interest charges.

84 5. (1) As an alternative to the methods described in subsections 1 and 2 of this section,
85 if two or more local transportation authorities have adopted resolutions calling for the joint
86 establishment of a district, the governing body of any one such local transportation authority may
87 file a petition in the circuit court of any county in which the proposed project is located
88 requesting the creation of a district; or, if not less than fifty registered voters from each of two
89 or more counties sign a petition calling for the joint establishment of a district for the purpose
90 of developing a project that lies in whole or in part within those same counties, the petition may
91 be filed in the circuit court of any of those counties in which not less than fifty registered voters
92 have signed the petition.

93 (2) The proposed district area shall be contiguous and may contain all or any portion of
94 one or more municipalities and counties. Property separated only by public streets, easements,
95 or rights-of-way or connected by a single public street, easement, or right-of-way shall be
96 considered contiguous.

97 (3) The petition shall set forth:

98 (a) That the petitioner is the governing body of a local transportation authority acting in
99 its official capacity; or, if the petition was filed by obtaining the signatures of not less than fifty
100 registered voters in each of two or more counties, it shall set forth the name, voting residence,
101 and county of residence of each individual petitioner;

102 (b) The name of each local transportation authority within the proposed district. The
103 resolution of the governing body of each local transportation authority calling for the joint
104 establishment of the district shall be attached to the petition;

105 (c) The name and address of each respondent. Respondents must include the
106 commission and each affected local transportation authority within the proposed district, except
107 a petitioning local transportation authority;

108 (d) A specific description of the proposed district boundaries including a map illustrating
109 such boundaries;

110 (e) A general description of each project proposed to be undertaken by the district,
111 including a description of the approximate location of each project;

112 (f) The name of the proposed district;

113 (g) The number of members of the board of directors of the proposed district;

114 (h) A request that the question be submitted to the qualified voters within the limits of
115 the proposed district whether they will establish a transportation development district to develop
116 the projects described in the petition;

117 (i) A proposal for funding the district initially, pursuant to the authority granted in
118 sections 238.200 to 238.275, together with a request that the imposition of the funding proposal
119 be submitted to the qualified voters residing within the limits of the proposed district; provided,
120 however, the funding method of special assessments may also be approved as provided in
121 subsection 1 of section 238.230; and

122 (j) A statement that the proposed district shall not be an undue burden on any owner of
123 property within the district and is not unjust or unreasonable.

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