

FIRST REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 289
92ND GENERAL ASSEMBLY

Reported from the Committee on Commerce and the Environment, April 10, 2003, with recommendation that the Senate Committee Substitute do pass.

0882S.07C

TERRY L. SPIELER, Secretary.

AN ACT

To repeal sections 99.845 and 135.207, RSMo, and to enact in lieu thereof forty-four new sections relating to tax increment financing.

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

Section A. Sections 99.845 and 135.207, RSMo, are repealed and forty-four new
2 sections enacted in lieu thereof, to be known as sections 99.845, 99.915, 99.918, 99.919,
3 99.921, 99.924, 99.927, 99.930, 99.933, 99.936, 99.939, 99.942, 99.945, 99.948, 99.951,
4 99.954, 99.957, 99.960, 99.963, 99.965, 99.968, 99.971, 99.975, 99.980, 99.1000, 99.1006,
5 99.1009, 99.1012, 99.1015, 99.1018, 99.1021, 99.1027, 99.1030, 99.1033, 99.1036, 99.1039,
6 99.1042, 99.1045, 99.1048, 99.1051, 99.1054, 99.1057, 99.1060, and 135.207, to read as
7 follows:

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

12 2 of section 99.855 each year after the effective date of the ordinance until redevelopment
13 costs have been paid shall be divided as follows:

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

20 (2) Payments in lieu of taxes attributable to the increase in the current equalized
21 assessed valuation of each taxable lot, block, tract, or parcel of real property in the area
22 selected for the redevelopment project and any applicable penalty and interest over and
23 above the initial equalized assessed value of each such unit of property in the area
24 selected for the redevelopment project shall be allocated to and, when collected, shall be
25 paid to the municipal treasurer who shall deposit such payment in lieu of taxes into a
26 special fund called the "Special Allocation Fund" of the municipality for the purpose of
27 paying redevelopment costs and obligations incurred in the payment thereof. Payments
28 in lieu of taxes which are due and owing shall constitute a lien against the real estate
29 of the redevelopment project from which they are derived and shall be collected in the
30 same manner as the real property tax, including the assessment of penalties and interest
31 where applicable. The municipality may, in the ordinance, pledge the funds in the
32 special allocation fund for the payment of such costs and obligations and provide for the
33 collection of payments in lieu of taxes, the lien of which may be foreclosed in the same
34 manner as a special assessment lien as provided in section 88.861, RSMo. No part of the
35 current equalized assessed valuation of each lot, block, tract, or parcel of property in the
36 area selected for the redevelopment project attributable to any increase above the total
37 initial equalized assessed value of such properties shall be used in calculating the
38 general state school aid formula provided for in section 163.031, RSMo, until such time
39 as all redevelopment costs have been paid as provided for in this section and section
40 99.850;

41 (3) For purposes of this section, "levies upon taxable real property in such
42 redevelopment project by taxing districts" shall not include the blind pension fund tax
43 levied under the authority of article III, section 38(b) of the Missouri Constitution, or the
44 merchants' and manufacturers' inventory replacement tax levied under the authority of
45 subsection 2 of section 6 of article X, of the Missouri Constitution, except in
46 redevelopment project areas in which tax increment financing has been adopted by
47 ordinance pursuant to a plan approved by vote of the governing body of the municipality

48 taken after August 13, 1982, and before January 1, 1998.

49 2. In addition to the payments in lieu of taxes described in subdivision (2) of
50 subsection 1 of this section, for redevelopment plans and projects adopted or
51 redevelopment projects approved by ordinance after July 12, 1990, and prior to August
52 31, 1991, fifty percent of the total additional revenue from taxes, penalties and interest
53 imposed by the municipality, or other taxing districts, which are generated by economic
54 activities within the area of the redevelopment project over the amount of such taxes
55 generated by economic activities within the area of the redevelopment project in the
56 calendar year prior to the adoption of the redevelopment project by ordinance, while tax
57 increment financing remains in effect, but excluding taxes imposed on sales or charges
58 for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant
59 to section 70.500, RSMo, licenses, fees or special assessments other than payments in
60 lieu of taxes and any penalty and interest thereon, or, effective January 1, 1998, taxes
61 levied pursuant to section 94.660, RSMo, for the purpose of public transportation, shall
62 be allocated to, and paid by the local political subdivision collecting officer to the
63 treasurer or other designated financial officer of the municipality, who shall deposit such
64 funds in a separate segregated account within the special allocation fund. Any provision
65 of an agreement, contract or covenant entered into prior to July 12, 1990, between a
66 municipality and any other political subdivision which provides for an appropriation of
67 other municipal revenues to the special allocation fund shall be and remain enforceable.

68 3. In addition to the payments in lieu of taxes described in subdivision (2) of
69 subsection 1 of this section, for redevelopment plans and projects adopted or
70 redevelopment projects approved by ordinance after August 31, 1991, fifty percent of the
71 total additional revenue from taxes, penalties and interest which are imposed by the
72 municipality or other taxing districts, and which are generated by economic activities
73 within the area of the redevelopment project over the amount of such taxes generated
74 by economic activities within the area of the redevelopment project in the calendar year
75 prior to the adoption of the redevelopment project by ordinance, while tax increment
76 financing remains in effect, but excluding personal property taxes, taxes imposed on
77 sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes
78 levied pursuant to section 70.500, RSMo, or effective January 1, 1998, taxes levied for
79 the purpose of public transportation pursuant to section 94.660, RSMo, licenses, fees or
80 special assessments other than payments in lieu of taxes and penalties and interest
81 thereon, shall be allocated to, and paid by the local political subdivision collecting officer
82 to the treasurer or other designated financial officer of the municipality, who shall
83 deposit such funds in a separate segregated account within the special allocation fund.

84 4. Beginning January 1, 1998, for redevelopment plans and projects adopted or
85 redevelopment projects approved by ordinance and which have complied with subsections
86 4 to 12 of this section, in addition to the payments in lieu of taxes and economic activity
87 taxes described in subsections 1, 2 and 3 of this section, up to fifty percent of the new
88 state revenues, as defined in subsection 8 of this section, estimated for the businesses
89 within the project area and identified by the municipality in the application required by
90 subsection 10 of this section, over and above the amount of such taxes reported by
91 businesses within the project area as identified by the municipality in their application
92 prior to the approval of the redevelopment project by ordinance, while tax increment
93 financing remains in effect, may be available for appropriation by the general assembly
94 as provided in subsection 10 of this section to the department of economic development
95 supplemental tax increment financing fund, from the general revenue fund, for
96 distribution to the treasurer or other designated financial officer of the municipality with
97 approved plans or projects.

98 5. The treasurer or other designated financial officer of the municipality with
99 approved plans or projects shall deposit such funds in a separate segregated account
100 within the special allocation fund established pursuant to section 99.805.

101 6. No transfer from the general revenue fund to the Missouri supplemental tax
102 increment financing fund shall be made unless an appropriation is made from the
103 general revenue fund for that purpose. No municipality shall commit any state revenues
104 prior to an appropriation being made for that project. For all redevelopment plans or
105 projects adopted or approved after December 23, 1997, appropriations from the new state
106 revenues shall not be distributed from the Missouri supplemental tax increment
107 financing fund into the special allocation fund unless the municipality's redevelopment
108 plan ensures that one hundred percent of payments in lieu of taxes and fifty percent of
109 economic activity taxes generated by the project shall be used for eligible redevelopment
110 project costs while tax increment financing remains in effect. This account shall be
111 separate from the account into which payments in lieu of taxes are deposited, and
112 separate from the account into which economic activity taxes are deposited.

113 7. In order for the redevelopment plan or project to be eligible to receive the
114 revenue described in subsection 4 of this section, the municipality shall comply with the
115 requirements of subsection 10 of this section prior to the time the project or plan is
116 adopted or approved by ordinance. The director of the department of economic
117 development and the commissioner of the office of administration may waive the
118 requirement that the municipality's application be submitted prior to the redevelopment
119 plan's or project's adoption or the redevelopment plan's or project's approval by

120 ordinance.

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

122 (1) The incremental increase in the general revenue portion of state sales tax
123 revenues received pursuant to section 144.020, RSMo, excluding sales taxes that are
124 constitutionally dedicated, taxes deposited to the school district trust fund in accordance
125 with section 144.701, RSMo, sales and use taxes on motor vehicles, trailers, boats and
126 outboard motors and future sales taxes earmarked by law. **In no event shall the
127 incremental increase include any amounts attributable to retail sales unless
128 the municipality or authority has proven to the Missouri development finance
129 board and the department of economic development and such entities have
130 made a finding that the sales tax increment attributable to retail sales is from
131 new sources which did not exist in the state during the baseline year.** The
132 incremental increase in the general revenue portion of state sales tax revenues for an
133 existing or relocated facility shall be the amount that current state sales tax revenue
134 exceeds the state sales tax revenue in the base year as stated in the redevelopment plan
135 as provided in subsection 10 of this section; or

136 (2) The state income tax withheld on behalf of new employees by the employer
137 pursuant to section 143.221, RSMo, at the business located within the project as
138 identified by the municipality. The state income tax withholding allowed by this section
139 shall be the municipality's estimate of the amount of state income tax withheld by the
140 employer within the redevelopment area for new employees who fill new jobs directly
141 created by the tax increment financing project.

142 9. Subsection 4 of this section shall apply only to blighted areas located in
143 enterprise zones, pursuant to sections 135.200 to 135.256, RSMo, blighted areas located
144 in federal empowerment zones, or to blighted areas located in central business districts
145 or urban core areas of cities which districts or urban core areas at the time of approval
146 of the project by ordinance, provided that the enterprise zones, federal empowerment
147 zones or blighted areas contained one or more buildings at least fifty years old; and

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

151 (2) Was a historic hotel located in a county of the first classification without a
152 charter form of government with a population according to the most recent federal
153 decennial census in excess of one hundred fifty thousand and containing a portion of a
154 city with a population according to the most recent federal decennial census in excess
155 of three hundred fifty thousand.

156 10. The initial appropriation of up to fifty percent of the new state revenues
157 authorized pursuant to subsections 4 and 5 of this section shall not be made to or
158 distributed by the department of economic development to a municipality until all of the
159 following conditions have been satisfied:

160 (1) The director of the department of economic development or his or her designee
161 and the commissioner of the office of administration or his or her designee have approved
162 a tax increment financing application made by the municipality for the appropriation of
163 the new state revenues. The municipality shall include in the application the following
164 items in addition to the items in section 99.810:

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

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

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

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

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

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

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

186 (2) The methodologies used in the application for determining the base year and
187 determining the estimate of the incremental increase in the general revenue portion of
188 the state sales tax revenues or the state income tax withheld by employers on behalf of
189 new employees who fill new jobs created in the redevelopment area shall be approved by
190 the director of the department of economic development or his or her designee and the
191 commissioner of the office of administration or his or her designee. Upon approval of the

192 application, the director of the department of economic development or his or her
193 designee and the commissioner of the office of administration or his or her designee shall
194 issue a certificate of approval. The department of economic development may request
195 the appropriation following application approval;

196 (3) The appropriation shall be either a portion of the estimate of the incremental
197 increase in the general revenue portion of state sales tax revenues in the redevelopment
198 area or a portion of the estimate of the state income tax withheld by the employer on
199 behalf of new employees who fill new jobs created in the redevelopment area as indicated
200 in the municipality's application, approved by the director of the department of economic
201 development or his or her designee and the commissioner of the office of administration
202 or his or her designee. At no time shall the aggregate annual appropriation of the new
203 state revenues for redevelopment areas exceed fifteen million dollars;

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

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

216 12. There is hereby established within the state treasury a special fund to be
217 known as the "Missouri Supplemental Tax Increment Financing Fund", to be
218 administered by the department of economic development. The department shall
219 annually distribute from the Missouri supplemental tax increment financing fund the
220 amount of the new state revenues as appropriated as provided in the provisions of
221 subsections 4 and 5 of this section if and only if the conditions of subsection 10 of this
222 section are met. The fund shall also consist of any gifts, contributions, grants or
223 bequests received from federal, private or other sources. Moneys in the Missouri
224 supplemental tax increment financing fund shall be disbursed per project pursuant to
225 state appropriations.

226 13. All personnel and other costs incurred by the department of economic
227 development for the administration and operation of subsections 4 to 12 of this section

228 shall be paid from the state general revenue fund. On an annual basis, the general
229 revenue fund shall be reimbursed for the full amount of such costs by the developer or
230 developers of the project or projects for which municipalities have made tax increment
231 financing applications for the appropriation of new state revenues, as provided for in
232 subdivision (1) of subsection 10 of this section. The amount of costs charged to each
233 developer shall be based upon the percentage arrived at by dividing the monetary
234 amount of the application made by each municipality for a particular project by the total
235 monetary amount of all applications received by the department of economic
236 development.

**99.915. 1. Sections 99.915 to 99.1060 shall be known and may be cited
2 as the "Missouri Downtown and Rural Economic Stimulus Act".**

**3 2. Nothing in sections 99.915 to 99.1060 shall be construed to provide
4 any funding for the construction, maintenance, or operation of any sports
5 stadium or related facility.**

**6 3. Insofar as the provisions of sections 99.915 to 99.1060 are
7 inconsistent with the provisions of any other law, the provisions of sections
8 99.915 to 99.1060 shall be controlling.**

**99.918. As used in sections 99.915 to 99.980, unless the context clearly
2 requires otherwise, the following terms shall mean:**

**3 (1) "Authority", the downtown economic stimulus authority for a
4 municipality, created pursuant to section 99.921;**

**5 (2) "Baseline year", the calendar year prior to the adoption of an
6 ordinance by the municipality approving a development project; provided,
7 however, if economic activity taxes or state sales tax revenues, from
8 businesses other than any out-of-state business or businesses locating in the
9 development project area, decrease in the development project area in the
10 year following the year in which the ordinance approving a development
11 project is approved by a municipality, the baseline year may, at the option of
12 the municipality approving the development project, be the year following the
13 year of the adoption of the ordinance approving the development project;**

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

21 and use;

22 (4) "Central business district", the area at or near the historic core that
23 is locally known as the "downtown" of a city, village, or town, that has a
24 median household income of sixty-two thousand dollars or less, according to
25 the last decennial census. In addition, at least fifty percent of existing
26 buildings or lots cleared of prior buildings in this area will have been built
27 in excess of fifty years prior to redevelopment. The historical land use
28 emphasis of a central business district prior to redevelopment will have been
29 a mixed use of business, commercial, financial, transportation, government,
30 and multifamily residential uses;

31 (5) "Collecting officer", the officer of the municipality responsible for
32 receiving and processing payments in lieu of taxes, economic activity taxes
33 other than economic activity taxes which are local sales taxes, and other local
34 taxes other than local sales taxes, and, for local sales taxes and state taxes,
35 the director of revenue;

36 (6) "Conservation area", any improved area within the boundaries of a
37 redevelopment area located within the territorial limits of a municipality in
38 which fifty percent or more of the structures in the area have an age of
39 thirty-five years or more, and such an area is not yet a blighted area but is
40 detrimental to the public health, safety, morals, or welfare and may become
41 a blighted area because of any one or more of the following factors:
42 dilapidation; obsolescence; deterioration; illegal use of individual structures;
43 presence of structures below minimum code standards; abandonment;
44 excessive vacancies; overcrowding of structures and community facilities;
45 lack of ventilation, light or sanitary facilities; inadequate utilities; excessive
46 land coverage; deleterious land use or layout; depreciation of physical
47 maintenance; and lack of community planning;

48 (7) "Development area", an area designated by a municipality in respect
49 to which the municipality has made a finding that there exist conditions
50 which cause the area to be classified as a blighted area or a conservation
51 area, which area shall have the following characteristics:

52 (a) It includes only those parcels of real property directly and
53 substantially benefitted by the proposed development plan;

54 (b) It can be renovated through one or more development projects;

55 (c) It is located in the central business district;

56 (d) It has generally suffered from declining population or property
57 taxes for the twenty-year period immediately preceding the area's designation

58 as a development area or has structures in the area fifty percent or more of
59 which have an age of fifty years or more;

60 (e) It is contiguous, provided, however that a development area may
61 include up to three noncontiguous areas selected for development projects,
62 provided that each noncontiguous area meets the requirements of paragraphs
63 (a) to (g) herein;

64 (f) The development area shall not exceed ten percent of the entire
65 area of the municipality; and

66 (g) The development area shall not include any property that is located
67 within the one hundred year flood plain, as designated by the Federal
68 Emergency Management Agency flood delineation maps, unless such property
69 is protected by a structure that is inspected and certified by the United States
70 Army Corps of Engineers.

71 Subject to the limitation set forth in this subdivision, the development area
72 can be enlarged or modified as provided in section 99.951;

73 (8) "Development plan", the comprehensive program of a municipality
74 to reduce or eliminate those conditions which qualified a development area
75 as a blighted area or a conservation area, and to thereby enhance the tax
76 bases of the taxing districts which extend into the development area through
77 the reimbursement, payment, or other financing of development project costs
78 in accordance with sections 99.915 to 99.980 and through the exercise of the
79 powers set forth in sections 99.915 to 99.980. The development plan shall
80 conform to the requirements of section 99.942;

81 (9) "Development project", any development project within a
82 development area which constitutes a major initiative in furtherance of the
83 objectives of the development plan, and any such development project shall
84 include a legal description of the area selected for such development project;

85 (10) "Development project area", the area located within a development
86 area selected for a development project;

87 (11) "Development project costs" include the such costs to the
88 development plan or a development project, as applicable, which are
89 expended on public property, buildings, or rights-of-ways for public purposes
90 to provide infrastructure to support for a development project. Such costs
91 shall only be allowed as an initial expense which, to be recoverable, must be
92 included in the costs of a development plan or development project, except
93 in circumstances of plan amendments approved by the Missouri development
94 finance board and the department of economic development. Such

95 **infrastructure costs include, but are not limited to, the following:**

96 **(a) Costs of studies, appraisals, surveys, plans, and specifications;**

97 **(b) Professional service costs, including, but not limited to,**
98 **architectural, engineering, legal, marketing, financial, planning, or special**
99 **services;**

100 **(c) Property assembly costs, including, but not limited to, acquisition**
101 **of land and other property, real or personal, or rights or interests therein,**
102 **demolition of buildings, and the clearing and grading of land;**

103 **(d) Costs of rehabilitation, reconstruction, repair, or remodeling of**
104 **existing public buildings and fixtures;**

105 **(e) Costs of construction of public works or improvements;**

106 **(f) Financing costs, including, but not limited to, all necessary expenses**
107 **related to the issuance of obligations issued to finance all or any portion of**
108 **the infrastructure costs of one or more development projects, and which may**
109 **include capitalized interest on any such obligations and reasonable reserves**
110 **related to any such obligations;**

111 **(g) All or a portion of a taxing district's capital costs resulting from**
112 **any development project necessarily incurred or to be incurred in**
113 **furtherance of the objectives of the development plan, to the extent the**
114 **municipality by written agreement accepts and approves such infrastructure**
115 **costs;**

116 **(h) Payments to taxing districts on a pro rata basis to partially**
117 **reimburse taxes diverted by approval of a development project;**

118 **(i) State government costs, including, but not limited to, the reasonable**
119 **costs incurred by the department of economic development, the department**
120 **of revenue and the office of administration in evaluating an application for**
121 **and administering state supplemental downtown development financing for**
122 **a development project; and**

123 **(j) Stipends to an institution of higher education which has a**
124 **designation as a Carnegie Research I University including any campus of such**
125 **university system;**

126 **(12) "Economic activity taxes", the total additional revenue from taxes**
127 **which are imposed by the municipality and other taxing districts, and which**
128 **are generated by economic activities within each development project area,**
129 **which are not related to the relocation of any out-of-state business into the**
130 **development project area, over the amount of such taxes generated by**
131 **economic activities within such development project area in the baseline**

132 year; plus in development project areas where the baseline year is the year
 133 following the year in which the development project is approved by the
 134 municipality pursuant to subdivision (2) of section 99.918, the total revenue
 135 from taxes which are imposed by the municipality and other taxing districts
 136 which is generated by economic activities within the development project
 137 area resulting from the relocation of an out-of-state business or out-of-state
 138 businesses to the development project area pursuant to section 99.919; but
 139 excluding personal property taxes, taxes imposed on sales or charges for
 140 sleeping rooms paid by transient guests of hotels and motels, licenses, fees,
 141 or special assessments. If a retail establishment relocates within one year
 142 from one facility to another facility within the same county and the
 143 municipality or authority finds that the retail establishment is a direct
 144 beneficiary of development financing, then for purposes of this definition, the
 145 economic activity taxes generated by the retail establishment shall equal the
 146 total additional revenues from economic activity taxes which are imposed by
 147 the municipality and other taxing district over the amount of economic
 148 activity taxes generated by the retail establishment in the baseline year;

149 (13) "Gambling establishment", an excursion gambling boat as defined
 150 in section 313.800, RSMo, and any related business facility including any real
 151 property improvements which are directly and solely related to such business
 152 facility, whose sole purpose is to provide goods or services to an excursion
 153 gambling boat and whose majority ownership interest is held by a person
 154 licensed to conduct gambling games on an excursion gambling boat or
 155 licensed to operate an excursion gambling boat as provided in sections
 156 313.800 to 313.850, RSMo;

157 (14) "Major initiative", a development project within a central business
 158 district that:

159 (a) Promotes tourism, cultural activities, arts, entertainment,
 160 education, research, arenas, multipurpose facilities, libraries, ports, mass
 161 transit, museums, or conventions, the estimated cost of which is in excess of
 162 the amount set forth below for the municipality, as applicable; or

163 (b) Promotes business location or expansion, the estimated cost of
 164 which is in excess of the amount set forth below for the municipality, and is
 165 estimated to create at least as many new jobs as set forth below within three
 166 years of such location or expansion:

167 Population of	Estimated	New Jobs
168 Municipality	Project Cost	Created

169	300,000 or more	\$10,000,000	at least 100
170	100,000 to 299,999	\$5,000,000	at least 50
171	50,001 to 99,999	\$1,000,000	at least 10
172	50,000 or less	\$500,000	at least 5;

173 **(15) "Municipality", any city, village, incorporated town, or any county**
174 **of this state established on or prior to January 1, 2001;**

175 **(16) "New job", any job defined as a new job pursuant to subdivision**
176 **(10) of section 100.710, RSMo;**

177 **(17) "Obligations", bonds, loans, debentures, notes, special certificates,**
178 **or other evidences of indebtedness issued by the municipality or authority,**
179 **or other public entity authorized to issue such obligations pursuant to**
180 **sections 99.915 to 99.980 to carry out a development project or to refund**
181 **outstanding obligations;**

182 **(18) "Ordinance", an ordinance enacted by the governing body of any**
183 **municipality or an order of the governing body of such a municipal entity**
184 **whose governing body is not authorized to enact ordinances;**

185 **(19) "Other net new revenues", the amount of state sales tax increment**
186 **or state income tax increment or the combination of the amount of each such**
187 **increment as determined under section 99.960;**

188 **(20) "Out-of-state business", a business entity or operation that has been**
189 **located outside of the state of Missouri prior to the time it relocates to a**
190 **development project area;**

191 **(21) "Payment in lieu of taxes", those revenues from real property in**
192 **each development project area, which taxing districts would have received**
193 **had the municipality not adopted a development plan and the municipality**
194 **not adopted development financing, and which would result from levies made**
195 **after the time of the adoption of development financing during the time the**
196 **current equalized value of real property in such development project area**
197 **exceeds the total equalized value of real property in such development**
198 **project area during the baseline year until development financing for such**
199 **development project area expires or is terminated pursuant to sections 99.915**
200 **to 99.980;**

201 **(22) "Special allocation fund", the fund of the municipality or its**
202 **authority required to be established pursuant to section 99.957 which special**
203 **allocation fund shall contain at least four separate segregated accounts into**
204 **which payments in lieu of taxes are deposited in one account, economic**
205 **activity taxes are deposited in a second account, other net new revenues are**

206 deposited in a third account, and other revenues, if any, received by the
207 authority or the municipality for the purpose of implementing a development
208 plan or a development project are deposited in a fourth account;

209 (23) "State income tax increment", the estimate of the income tax due
210 the state for salaries or wages paid to new employees in new jobs at a
211 business located in the development project area and created by the
212 development project. The estimate shall be a percentage of the gross payroll
213 which percentage shall be based upon an analysis by the department of
214 revenue of the practical tax rate on gross payroll as a factor in overall
215 taxable income. In no event shall the percentage exceed two percent;

216 (24) "State sales tax increment", the incremental increase in the state
217 sales tax revenue in the development project area. In no event shall the
218 incremental increase include any amounts attributable to retail sales unless
219 the municipality or authority has proven to the Missouri development finance
220 board and the department of economic development and such entities have
221 made a finding that the sales tax increment attributable to retail sales is from
222 new sources which did not exist in the state during the baseline year. In
223 addition, the incremental increase for an existing facility shall be the amount
224 by which the state sales tax revenue generated at the facility exceeds the
225 state sales tax revenue generated at the facility in the baseline year and, in
226 development project areas where the baseline year is the year following the
227 year in which the development project is approved by the municipality
228 pursuant to subdivision (2) of section 99.918, state sales tax revenue
229 generated by out-of-state businesses relocating into a development project
230 area. The incremental increase for a Missouri facility which relocates to a
231 development project area shall be the amount by which the state sales tax
232 revenue of the facility exceeds the state sales tax revenue for the facility in
233 the calendar year prior to relocation;

234 (25) "State sales tax revenues", the general revenue portion of state
235 sales tax revenues received pursuant to section 144.020, RSMo, excluding
236 sales taxes that are constitutionally dedicated, taxes deposited to the school
237 district trust fund in accordance with section 144.701, RSMo, sales and use
238 taxes on motor vehicles, trailers, boats and outboard motors and future sales
239 taxes earmarked by law;

240 (26) "Taxing districts", any political subdivision of this state having the
241 power to levy taxes; and

242 (27) "Taxing district's capital costs", those costs of taxing districts for

243 capital improvements that are found by the municipal governing bodies to be
244 necessary and to directly result from a development project.

99.919. Notwithstanding anything contained in Sections 99.915 to 99.980
2 to the contrary, for development projects that result in the relocation of an
3 out-of-state business or out-of-state businesses to the development project
4 area, the portion of economic activity taxes, the state income tax increment,
5 the state sales tax increment and other net new revenues generated by such
6 out-of-state business or businesses shall be calculated based upon the full
7 amount of tax revenue generated by such out-of-state business or out-of-state
8 businesses without reduction due to revenues generated in the baseline year.

99.921. Each municipality may create an authority to be known as a
2 "Downtown Economic Stimulus Authority"; provided, however:

3 (1) No such authority shall transact any business or exercise its powers
4 pursuant to sections 99.915 to 99.980 until and unless the governing body of
5 such municipality shall, in accordance with subsection 1 of section 99.948,
6 approve, by ordinance, the exercise of the powers, functions, and duties of an
7 authority under sections 99.915 to 99.980;

8 (2) No governing body of a municipality shall adopt an ordinance
9 pursuant to subdivision (1) of this section unless it finds:

10 (a) That it would be in the interest of the public to consider the
11 establishment of a development area in accordance with sections 99.915 to
12 99.980;

13 (b) That the development of such a development area would be in the
14 interest of the public health, safety, morals, or welfare of the residents of
15 such municipality; and

16 (c) That it is anticipated that such a development area can be
17 renovated through a series of one or more development projects;

18 (3) Cities, villages, towns, and census designated places located wholly
19 within a county of the first classification with a population of more than one
20 million, according to the last decennial census, shall undertake downtown
21 development financing as allowed for in this act through a countywide
22 downtown economic stimulus authority. This countywide authority shall have
23 the same powers, functions, and duties of an authority pursuant to sections
24 99.915 to 99.980. In addition, the countywide downtown economic stimulus
25 authority shall be responsible for coordinating municipal downtown
26 development financing activities in such a way as to discourage fiscal
27 competition and promote mutual benefits among the affected local

28 jurisdictions. Each countywide downtown economic stimulus authority shall
29 be governed by a board of commissioners. In any county of the first
30 classification with a population greater than one million, the authority shall
31 be comprised of fifteen members. Three members shall be appointed by the
32 county executive. Three members shall be appointed by the county council
33 to represent class A cities and three members shall be appointed to represent
34 class B cities, as both are defined in section 66.620, RSMo. The remaining six
35 members shall be appointed by the county executive with the approval of the
36 county council, of which members at least three will represent school districts
37 within the county and the remainder shall represent other political
38 subdivisions levying ad valorem taxes in the county. The term of office for
39 each member shall be at the discretion of the appointing jurisdictions. In any
40 county of the first classification with a charter form of government and a
41 population of less than two hundred ninety thousand, the countywide
42 authority shall be comprised of twelve members. Of these members, three
43 shall be appointed by the county executive. Three shall be appointed by the
44 county council to represent the cities in the county. The remaining six
45 members shall be appointed by the county executive with the approval of the
46 county council, of which three shall represent school districts in the county
47 and three shall represent other political subdivisions levying ad valorem
48 taxes in the county. The term of office for each member shall be at the
49 discretion of the appointing jurisdiction.

99.924. Each authority created pursuant to section 99.921 shall be
2 governed by a board of commissioners. The number of commissioners serving
3 on the board of each authority shall be no less than five and no more than
4 fourteen, which number shall be established by ordinance of the municipality
5 of which one shall be a member of any local community development
6 corporation, if one exists in the municipality, and one shall be an African
7 American business owner in the municipality, if one exists. One of the initial
8 commissioners appointed pursuant to this subsection shall be appointed by
9 the school district or districts located within the development area for a term
10 of three years. The other initial commissioners appointed pursuant to this
11 subsection shall serve staggered terms of one, two, and three years as
12 determined by the mayor or chief executive officer of the municipality at the
13 time of their appointment. Thereafter, successor commissioners shall be
14 appointed by the mayor or chief executive officer of the municipality or the
15 school district or districts making the initial appointments for a term of three

16 years. All vacancies shall be filled by appointment of the mayor or chief
17 executive officer of the municipality, or the school district or districts, for the
18 unexpired term. In addition to the commissioners appointed in accordance
19 with this subsection, a nonvoting advisor shall be appointed by the other
20 taxing districts located within the development area.

99.927. 1. The powers of the authority created pursuant to section
2 99.921 shall be exercised by its board of commissioners. A majority of the
3 commissioners shall constitute a quorum of such board for the purpose of
4 conducting business and exercising the powers of the authority and for all
5 other purposes. Action may be taken by the board upon a vote of a majority
6 of the commissioners present in person or by teleconference, unless in any
7 case the bylaws of the authority shall require a larger number. Meetings of
8 the board of the authority may be held anywhere within the municipality.

9 2. The commissioners of the authority annually shall elect a chair and
10 vice chair from among the commissioners; however, the first chair shall be
11 designated by the mayor for a term of one year. The mayor or chief executive
12 officer of the municipality shall serve as the co-chair of the authority. The
13 authority may employ an executive director, technical experts, and such other
14 officers, agents, and employees, permanent and temporary, as it may require,
15 and shall determine their qualifications, duties, and compensation. For such
16 legal services as it may require, an authority may call upon the chief law
17 officer of the municipality or may employ its own counsel and legal staff.

18 3. A commissioner of an authority shall receive no compensation for his
19 or her services, but may receive the necessary expenses, including traveling
20 expenses, incurred in the discharge of his or her duties. Each commissioner
21 shall hold office until a successor has been appointed.

22 4. For inefficiency or neglect of duty or misconduct in office, a
23 commissioner of an authority may be removed by the mayor or chief
24 executive officer of the municipality.

99.930. 1. In any suit, action, or proceeding involving the validity or
2 enforcement of or relating to any contract of an authority entered into
3 pursuant to sections 99.915 to 99.980, such authority shall be conclusively
4 deemed to have become established and authorized to transact business and
5 exercise its powers under sections 99.915 to 99.980 upon proof of the adoption
6 of the appropriate ordinance prescribed in section 99.921. Each such
7 ordinance shall be deemed sufficient if it authorizes the exercise of powers
8 under sections 99.915 to 99.980 by the authority and sets forth the findings of

9 the municipality as required in subdivision (2) of section 99.921.

10 2. A copy of such ordinance duly certified by the clerk of the
11 municipality shall be admissible in evidence in any suit, action, or
12 proceeding.

13 3. No lawsuit to set aside the creation of an authority, the approval of
14 a development plan, development project, development area or development
15 project area, or a tax levied pursuant to sections 99.915 to 99.980, or to
16 otherwise question the validity of the proceedings related thereto, shall be
17 brought after the expiration of ninety days from the effective date of the
18 ordinance or resolution in question.

99.933. 1. The authority created pursuant to section 99.921 shall
2 constitute a public body corporate and politic, exercising public and essential
3 governmental functions.

4 2. A municipality or an authority created pursuant to section 99.921
5 shall have all the powers necessary or convenient to carry out and effectuate
6 the purposes and provisions of sections 99.915 to 99.980, including the
7 following powers in addition to others granted pursuant to sections 99.915 to
8 99.980:

9 (1) To prepare or cause to be prepared and approved development
10 plans and development projects to be considered at public hearings in
11 accordance with sections 99.915 to 99.980 and to undertake and carry out
12 development plans and development projects which have been adopted by
13 ordinance;

14 (2) To arrange or contract for the furnishing or repair, by any person
15 or agency, public or private, of services, privileges, streets, roads, public
16 utilities, or other facilities for or in connection with any development project;
17 and notwithstanding anything to the contrary contained in sections 99.915 to
18 99.980 or any other provision of law, to agree to any conditions that it may
19 deem reasonable and appropriate attached to federal financial assistance and
20 imposed pursuant to federal law relating to the determination of prevailing
21 salaries or wages or compliance with labor standards, in the undertaking or
22 carrying out of any development project, and to include in any contract let
23 in connection with any such development project provisions to fulfill such of
24 the conditions as it may deem reasonable and appropriate;

25 (3) Within a development area, to acquire by purchase, lease, gift,
26 grant, bequest, devise, or otherwise, or obtain options upon, any real or
27 personal property or any interest therein, necessary or incidental to a

28 **development project, all in the manner and at such price as the municipality**
29 **or authority determines is reasonably necessary to achieve the objectives of**
30 **a development plan;**

31 **(4) Within a development area, subject to provisions of section 99.936**
32 **with regard to the disposition of real property, to sell, lease, exchange,**
33 **transfer, assign, subdivide, retain for its own use, mortgage, pledge,**
34 **hypothecate, or otherwise encumber or dispose of any real or personal**
35 **property or any interest therein, all in the manner and at such price and**
36 **subject to any covenants, restrictions, and conditions as the municipality or**
37 **authority determines is reasonably necessary to achieve the objectives of a**
38 **development plan; to make any such covenants, restrictions, or conditions as**
39 **covenants running with the land, and to provide appropriate remedies for any**
40 **breach of any such covenants, restrictions, or conditions, including the right**
41 **in the municipality or authority to terminate such contracts and any interest**
42 **in the property created pursuant thereto;**

43 **(5) Within a development area, to clear any area by demolition or**
44 **removal of existing buildings and structures;**

45 **(6) To install, repair, construct, reconstruct, or relocate streets,**
46 **utilities, and site improvements as necessary or desirable for the preparation**
47 **of a development area for use in accordance with a development plan;**

48 **(7) Within a development area, to fix, charge, and collect fees, rents,**
49 **and other charges for the use of any real or personal property, or any portion**
50 **thereof, in which the municipality or authority has any interest;**

51 **(8) To accept grants, guarantees, and donations of property, labor, or**
52 **other things of value from any public or private source for purposes of**
53 **implementing a development plan;**

54 **(9) In accordance with section 99.936, to select one or more developers**
55 **to implement a development plan, or one or more development projects, or**
56 **any portion thereof;**

57 **(10) To charge as a development project cost the reasonable costs**
58 **incurred by the municipality or authority, the department of economic**
59 **development, the department of revenue or the office of administration in**
60 **evaluating, administering, or implementing the development plan or any**
61 **development project;**

62 **(11) To borrow money and issue obligations in accordance with**
63 **sections 99.915 to 99.980 and provide security for any such loans or**
64 **obligations;**

65 **(12) To insure or provide for the insurance of any real or personal**
66 **property or operations of the municipality or authority against any risks or**
67 **hazards, including the power to pay premiums on any such insurance; and to**
68 **enter into any contracts necessary to effectuate the purposes of sections**
69 **99.915 to 99.980;**

70 **(13) Within a development area, to renovate, rehabilitate, construct,**
71 **repair, or improve any improvements, buildings, parking garages, fixtures,**
72 **structures, and other facilities;**

73 **(14) To invest any funds held in reserves or sinking funds, or any funds**
74 **not required for immediate disbursement, in property or securities in which**
75 **savings banks may legally invest funds subject to their control; to redeem**
76 **obligations at the redemption price established therein or to purchase**
77 **obligations at less than redemption price, all obligations so redeemed or**
78 **purchased to be canceled;**

79 **(15) To borrow money and to apply for and accept advances, loans,**
80 **grants, contributions, and any other form of financial assistance from the**
81 **federal government, the state, county, municipality, or other public body or**
82 **from any sources, public or private, for the purposes of implementing a**
83 **development plan, to give such security as may be required and to enter into**
84 **and carry out contracts in connection therewith. A municipality or authority,**
85 **notwithstanding the provisions of any other law, may include in any contract**
86 **for financial assistance with the federal government for a project such**
87 **conditions imposed pursuant to federal law as the municipality or authority**
88 **may deem reasonable and appropriate and which are not inconsistent with**
89 **the purposes of sections 99.915 to 99.980;**

90 **(16) To incur development project costs and make such expenditures**
91 **as may be necessary to carry out the purposes of sections 99.915 to 99.980; and**
92 **to make expenditures from funds obtained from the federal government**
93 **without regard to any other laws pertaining to the making and approval of**
94 **appropriations and expenditures;**

95 **(17) To loan the proceeds of obligations issued pursuant to sections**
96 **99.915 to 99.980 for the purpose of providing for the purchase, construction,**
97 **extension, and improvement of public infrastructure related to a development**
98 **project by a developer pursuant to a development contract approved by the**
99 **municipality or authority in accordance with subdivision (2) of section 99.936;**

100 **(18) To declare any funds, or any portion thereof, in the special**
101 **allocation fund to be excess funds, so long as such excess funds have not been**

102 pledged to the payment of outstanding obligations or outstanding
103 development project costs, are not necessary for the payment of development
104 project costs incurred or anticipated to be incurred, and are not required to
105 pay baseline state sales taxes and baseline state withholding taxes to the
106 director of revenue. Any such funds deemed to be excess shall be disbursed
107 in the manner of surplus funds as provided in section 99.965;

108 (19) To pledge or otherwise expend funds deposited to the special
109 allocation fund, or any portion thereof, for the payment or reimbursement of
110 development project costs incurred by the authority, the municipality, a
111 developer selected by the municipality or authority in accordance with the
112 provisions of section 99.939, or any other entity with the consent of the
113 municipality or authority; to pledge or otherwise expend funds deposited to
114 the special allocation fund, or any portion thereof, or to mortgage or
115 otherwise encumber its property, or any portion thereof, for the payment of
116 obligations issued to finance development project costs; provided, however,
117 any such pledge or expenditure of economic activity taxes or other net new
118 revenues shall be subject to annual appropriation by the municipality; and

119 (20) To exercise all powers or parts or combinations of powers
120 necessary, convenient, or appropriate to undertake and carry out
121 development plans and any development projects and all the powers granted
122 pursuant to sections 99.915 to 99.980, excluding powers of eminent domain.

123 2. If any member of the governing body of the municipality, a
124 commissioner of the authority, or an employee or consultant of the
125 municipality or authority, involved in the planning and preparation of a
126 development project, owns or controls an interest, direct or indirect, in any
127 property included in a development project area, the individual shall disclose
128 the same in writing to the clerk of the municipality, and shall also so disclose
129 the dates, terms, and conditions of any disposition of any such interest, which
130 disclosures shall be acknowledged by the governing body of the municipality
131 and entered upon the minutes books of the governing body of the
132 municipality. If an individual holds such an interest, then that individual
133 shall refrain from any further official involvement in regard to a development
134 project and from voting on any matter pertaining to such development project
135 or communicating with other commissioners or members of the authority or
136 the municipality concerning any matter pertaining to such development
137 project. Furthermore, subject to the succeeding sentence, no such member,
138 commissioner, employee, or consultant shall acquire any interest, direct or

139 indirect, in any property in a development project area or proposed
140 development project area, after either (a) such individual obtains knowledge
141 of a development project, or (b) first public notice of such development
142 project, or development project area pursuant to subsection 2 of section
143 99.951, whichever first occurs. At any time after one year from the adoption
144 of an ordinance designating a development project area, any commissioner
145 may acquire an interest in real estate located in a development project area
146 so long as any such commissioner discloses such acquisition and refrains from
147 voting on any matter related to the development project area in which the
148 property acquired by such commissioner is located.

149 **3. An authority created pursuant to section 99.921 shall have the**
150 **following powers in addition to others granted pursuant to sections 99.915 to**
151 **99.980:**

152 **(1) To sue and to be sued; to have a seal and to alter the same at the**
153 **authority's pleasure; to have perpetual succession; to make and execute**
154 **contracts and other instruments necessary or convenient to the exercise of**
155 **the powers of the authority; and to make and from time to time amend and**
156 **repeal bylaws, rules, and regulations, not inconsistent with sections 99.915 to**
157 **99.980, to carry out the provisions of sections 99.915 to 99.980;**

158 **(2) To delegate to a municipality or other public body any of the**
159 **powers or functions of the authority with respect to the planning or**
160 **undertaking of a development project, and any such municipality or public**
161 **body is hereby authorized to carry out or perform such powers or functions**
162 **for the authority;**

163 **(3) To receive and exercise powers delegated by any authority, agency,**
164 **or agent of a municipality created pursuant to this chapter or chapter 353,**
165 **RSMo, excluding powers of eminent domain.**

166 **4. Any home rule city with more than four hundred thousand**
167 **inhabitants and located in more than one county, any city not within a**
168 **county, and any county with a charter form of government and with more**
169 **than one million inhabitants shall approve a minority and women-owned**
170 **business enterprise program to be implemented by the downtown economic**
171 **stimulus authority. The program shall require all businesses, vendors and**
172 **contractors working on projects undertaken by the authority to ensure**
173 **enforcement of an equal opportunity employment plan and a minority and**
174 **women-owned business program that is based on population and availability**
175 **that contains specific goals for each such business, vendor and contractor, in**

176 accordance with applicable state and federal laws, rules, regulations and
177 orders.

99.936. Real property which is acquired by a municipality or authority
2 in a development project area may be disposed of as follows:

3 (1) Within a development project area, the authority may sell, lease,
4 exchange, or otherwise transfer real property, including land, improvements,
5 and fixtures, or any interest therein, to any developer selected for a
6 development project, or any portion thereof, in accordance with the
7 development plan, subject to such covenants, conditions, and restrictions as
8 may be deemed to be in the public interest or to carry out the purposes of
9 sections 99.915 to 99.980. Such real property shall be sold, leased, or
10 transferred at its fair market value for uses in accordance with the
11 development plan; provided that such fair market value may be less than the
12 cost of such property to the municipality or authority. In determining the
13 fair market value of real property for uses in accordance with a development
14 plan, the municipality or authority shall take into account and give
15 consideration to the uses and purposes required by the development plan; the
16 restrictions upon, and the covenants, conditions, and obligations assumed by
17 the developer of such property; the objectives of the development plan; and
18 such other matters as the municipality or authority shall specify as being
19 appropriate. In fixing rental and sale prices, a municipality or authority shall
20 give consideration to appraisals of the property for such uses made by
21 experts employed by the municipality or authority;

22 (2) The municipality or authority shall, by public notice published in
23 a newspaper having a general circulation in a development area, prior to
24 selecting one or more developers for any development project, or any portion
25 thereof, invite proposals from, and make available all pertinent information
26 to, private developers or any persons interested in undertaking the
27 development of such development project, or any portion thereof. Such notice
28 shall be published at least once each week during the two weeks preceding
29 the selection of a developer, shall identify the area of the development project
30 or development projects, or any portion thereof, for which one or more
31 developers are to be selected, and shall state that such further information
32 as is available and may be obtained at the office of the municipality or
33 authority. The municipality or authority shall consider all proposals and the
34 financial and legal ability of the prospective developers to carry out their
35 proposals. The municipality or authority may negotiate and enter into one

36 or more contracts with any developer selected for the development of any
37 such area for the development of such area by such developer in accordance
38 with a development plan or for the sale or lease of any real property to any
39 such developer in any such area for the purpose of developing such property
40 in accordance with the development plan. The municipality or authority may
41 enter into any such contract as it deems to be in the public interest and in
42 furtherance of the purposes of sections 99.915 to 99.980; provided that the
43 municipality or authority has, not less than ten days prior thereto, notified
44 the governing body in writing of its intention to enter into such
45 contract. Thereafter, the municipality or authority may execute such contract
46 in accordance with the provisions of subdivision (1) of this section and
47 deliver deeds, leases, and other instruments and take all steps necessary to
48 effectuate such contract. In its discretion, the municipality or authority may,
49 in accordance with the provisions of this subdivision, dispose of any real
50 property in an area selected for a development project, or any portion
51 thereof, to private developers for development under such reasonable
52 competitive bidding procedures as it shall prescribe, subject to the provisions
53 of subdivision (1) of this section;

54 (3) In carrying out a development project, the authority may:

55 (a) Convey to the municipality such real property as, in accordance
56 with the development plan, is to be dedicated as public right-of-way for
57 streets, sidewalks, alleys, or other public ways, this power being additional
58 to and not limiting any and all other powers of conveyance of property to
59 municipalities expressed, generally or otherwise, in sections 99.915 to 99.980;

60 (b) Grant servitudes, easements, and rights-of-way for public utilities,
61 sewers, streets, and other similar facilities, in accordance with the
62 development plan; and

63 (c) Convey to the municipality or other appropriate public body such
64 real property as, in accordance with the development plan, is to be used for
65 parks, schools, public buildings, facilities, or other public purposes;

66 (4) The municipality or authority may operate and maintain real
67 property in the development area pending the disposition or development of
68 the property in accordance with a development plan, without regard to the
69 provisions of subdivisions (1) and (2) of this section, for such uses and
70 purposes as may be deemed desirable even though not in conformity with the
71 development plan.

99.939. 1. Any home rule city with more than four hundred thousand

2 inhabitants and located in more than one county, any county with a charter
3 form of government and with more than one million inhabitants, any city not
4 within a county, and any county of the first classification with more than one
5 hundred thirty-five thousand four hundred but less than one hundred thirty-
6 five thousand five hundred inhabitants and any municipality located therein
7 shall by ordinance establish a fund for the purpose of providing funds to
8 community development corporations in such city for comprehensive
9 programs within such city to stimulate economic development, housing, and
10 other public benefits leading to the development of economically sustainable
11 neighborhoods or communities, such fund to be known as the "Community
12 Development Corporation Revolving Fund". Notwithstanding section 33.080,
13 RSMo, to the contrary, any moneys remaining in the fund at the end of the
14 biennium shall not revert to the credit of the general revenue fund.

15 2. The community development corporation revolving fund shall be
16 administered by a community development corporation revolving fund board,
17 which shall consist of six members appointed by the chief elected official of
18 such municipality or county, of which one shall be a member of the economic
19 stimulus authority, three shall be members of the local regional community
20 development association, and two shall be members of local business or
21 financial organizations. The initial members shall serve staggered terms of
22 one, two, and three years as determined by the chief elected official at the
23 time of appointment. Thereafter, successor members shall be appointed by
24 the chief elected official for a term of three years, and shall hold office until
25 a successor is appointed. Any member may be removed by the chief elected
26 official for inefficiency, neglect of duty, or misconduct. All vacancies shall be
27 filled by appointment of the chief elected official for the unexpired term. No
28 member shall receive compensation for the member's services, but shall be
29 entitled to necessary and reasonable expenses, including travel expenses,
30 incurred in the discharge of the member's duties. The chief elected official
31 shall appoint the chair of the board, and the members of the board shall elect
32 officers from the membership of the board.

33 3. Beginning January 1, 2004, up to five percent of the state sales tax
34 increment portion of other net new revenues generated by development
35 projects certified for state supplemental downtown development financing
36 pursuant to sections 99.915 to 99.980, but not being used for state
37 supplemental downtown development financing, may be available for
38 appropriation by the general assembly to the state supplemental downtown

39 development fund, from the general revenue fund, for the purpose of
40 providing grants to cities or counties as set forth herein. A city or county
41 described in subsection 1 of this section may, upon application to the
42 department of economic development, receive a grant for deposit into the city
43 or county community development corporation revolving fund for the
44 purposes of funding a community development corporation revolving fund
45 program pursuant to subsection 4 of this section. Any city or county
46 otherwise eligible shall not be denied participation in the grant program due
47 to a lack of projects certified for state supplemental downtown development
48 financing, but such grants shall be limited to incremental revenues generated
49 from certified projects in any city or county described in subsection 1 of this
50 section. At no time shall the sum of the grants exceed one million five
51 hundred thousand dollars annually.

52 4. From money granted to a city or county described in subsection 1 of
53 this section for deposit in the community development corporation revolving
54 fund, the city or county, through the community development corporation
55 revolving fund board, shall provide grants and forgivable loans to community
56 development corporations in such municipality for community economic
57 development activities implemented by such corporations. The board shall
58 give special funding consideration to collaborations on community
59 development projects between developers organized for-profit and nonprofit
60 developers. All expenses for such projects shall be paid for out of the
61 community development corporation revolving fund. Any money
62 appropriated, all payments in lieu of taxes, as defined in section 99.918, and
63 any other money made available by gift, grant, bequest, contribution, or
64 otherwise to carry out the purposes of this section, and all interest earned on,
65 and income generated from, money in the fund shall be paid to, and deposited
66 in, the community development corporation revolving fund.

99.942. 1. A development plan shall set forth in writing a general
2 description of the program to be undertaken to accomplish the development
3 projects and related objectives and shall include, but need not be limited to:
4 (1) The name, street and mailing address, and phone number of the
5 mayor or chief executive officer of the municipality;
6 (2) The street address of the development site;
7 (3) The three-digit North American Industry Classification System
8 number or numbers characterizing the development project;
9 (4) The estimated development project costs;

10 **(5) The anticipated sources of funds to pay such development project**
11 **costs;**

12 **(6) Evidence of the commitments to finance such development project**
13 **costs;**

14 **(7) The anticipated type and term of the sources of funds to pay such**
15 **development project costs;**

16 **(8) The anticipated type and terms of the obligations to be issued;**

17 **(9) The most recent equalized assessed valuation of the property within**
18 **the development project area;**

19 **(10) An estimate as to the equalized assessed valuation after the**
20 **development project area is developed in accordance with a development**
21 **plan;**

22 **(11) The general land uses to apply in the development area;**

23 **(12) The total number of individuals employed in the development area,**
24 **broken down by full-time, part-time, and temporary positions;**

25 **(13) The total number of full-time equivalent positions in the**
26 **development area;**

27 **(14) The current gross wages, state income tax withholdings, and**
28 **federal income tax withholdings for individuals employed in the development**
29 **area;**

30 **(15) The total number of individuals employed in this state by the**
31 **corporate parent of any business benefitting from public expenditures in the**
32 **development area, and all subsidiaries thereof, as of December thirty-first of**
33 **the prior fiscal year, broken down by full-time, part-time, and temporary**
34 **positions;**

35 **(16) The number of new jobs to be created by any business benefitting**
36 **from public expenditures in the development area, broken down by full-time,**
37 **part-time, and temporary positions;**

38 **(17) The average hourly wage to be paid to all current and new**
39 **employees at the project site, broken down by full-time, part-time, and**
40 **temporary positions;**

41 **(18) For project sites located in a metropolitan statistical area, as**
42 **defined by the federal Office of Management and Budget, the average hourly**
43 **wage paid to nonmanagerial employees in this state for the industries**
44 **involved at the project, as established by the United States Bureau of Labor**
45 **Statistics;**

46 **(19) For project sites located outside of metropolitan statistical areas,**

47 the average weekly wage paid to nonmanagerial employees in the county for
48 industries involved at the project, as established by the United States
49 Department of Commerce;

50 (20) A list of other community and economic benefits to result from the
51 project;

52 (21) A list of all development subsidies that any business benefitting
53 from public expenditures in the development area has previously received for
54 the project, and the name of any other granting body from which such
55 subsidies are sought;

56 (22) A list of all other public investments made or to be made by this
57 state or units of local government to support infrastructure or other needs
58 generated by the project for which the funding pursuant to this act is being
59 sought;

60 (23) A statement as to whether the development project may reduce
61 employment at any other site, within or without of the State, resulting from
62 automation, merger, acquisition, corporate restructuring, relocation, or other
63 business activity;

64 (24) A statement as to whether or not the project involves the
65 relocation of work from another address and if so, the number of jobs to be
66 relocated and the address from which they are to be relocated;

67 (25) A list of competing businesses in the county containing the
68 development area and in each contiguous county;

69 (26) A market study for the development area;

70 (27) A certification by the chief officer of the applicant as to the
71 accuracy of the development plan.

72 2. For any home rule city with more than four hundred thousand
73 inhabitants and located in more than one county, for any county with a
74 charter form of government and with more than one million inhabitants, any
75 county of the first classification with more than one hundred thirty-five
76 thousand four hundred but less than one hundred thirty-five thousand five
77 hundred inhabitants and any municipality within the county, and for any city
78 not within a county, the authority shall be required in connection with the
79 designation of the development area, development projects, and development
80 project areas, to work with local community development corporations, as
81 defined in subsection 3 of section 135.400, RSMo, with a goal that over the
82 term of the development plan five percent of the funds generated pursuant
83 to section 99.957 will be expended in connection with such projects.

84 **3. The development plan may be adopted by a municipality in reliance**
85 **on findings that a reasonable person would believe:**

86 **(1) The development area on the whole is a blighted area or a**
87 **conservation area. Such a finding shall include, but not be limited to, a**
88 **detailed description of the factors that qualify the development area or**
89 **project pursuant to this subsection, and an affidavit, signed by members of**
90 **the municipality or authority or, for municipalities under one hundred**
91 **thousand inhabitants, the local legislative body, attesting that the provisions**
92 **of this subsection have been met and a study stating that records were**
93 **reviewed, inspections were made, comparisons were made, or tasks**
94 **undertaken demonstrating that the property has not been developed through**
95 **private enterprise over a period of time. The study shall be of sufficient**
96 **specificity to allow representatives of the authority or the municipality to**
97 **conduct investigations deemed necessary in order to confirm its findings;**

98 **(2) The development area has not been subject to growth and**
99 **development through investment by private enterprise and would not**
100 **reasonably be anticipated to be developed without the implementation of one**
101 **or more development projects and the adoption of local and state**
102 **development financing;**

103 **(3) The development plan conforms to the comprehensive plan for the**
104 **development of the municipality as a whole;**

105 **(4) The estimated dates, which shall not be more than twenty-five years**
106 **from the adoption of the ordinance approving any development project, of the**
107 **completion of such development project and retirement of obligations**
108 **incurred to finance development project costs have been stated, provided that**
109 **no ordinance approving a development project shall be adopted later than**
110 **fifteen years from the adoption of the ordinance approving the development**
111 **plan and provided that no property for a development project shall be**
112 **acquired by eminent domain later than ten years from the adoption of the**
113 **ordinance approving such development plan;**

114 **(5) In the event any business or residence is to be relocated as a direct**
115 **result of the implementation of the development plan, a plan has been**
116 **developed for relocation assistance for businesses and residences;**

117 **(6) The amount of development financing sought for a project, in**
118 **addition to any other economic development funding or incentives, does not**
119 **exceed the projected benefit of the development project to the state and**
120 **municipality, as determined by the department of economic development;**

121 **(7) The development plan does not include the initial development or**
122 **redevelopment of any gambling establishment; and**

123 **(8) An economic feasibility analysis including a pro forma financial**
124 **statement indicating the return on investment that may be expected without**
125 **public assistance. The financial statement shall detail any assumptions made,**
126 **a pro forma statement analysis demonstrating the amount of assistance**
127 **required to bring the return into a range deemed attractive to private**
128 **investors, which amount shall be equal to the estimated reimbursable project**
129 **costs.**

99.945. In the event a municipality desires to designate a development
2 **area located in whole or in part outside the incorporated boundaries of the**
3 **municipality and within the boundaries of another municipality, such**
4 **municipality shall first obtain the permission of the governing body of such**
5 **other municipality.**

99.948. 1. A municipality which has created an authority pursuant to
2 **section 99.921 may:**

3 **(1) Approve by ordinance the exercise by the authority of the powers,**
4 **functions, and duties of the authority under sections 99.915 to 99.980; and**

5 **(2) After adopting an ordinance in accordance with subdivision (1) of**
6 **this subsection and after receipt of recommendations from the authority in**
7 **accordance with subsection 3 of this section, by ordinance, designate**
8 **development areas and adopt the development plans, development projects,**
9 **designate a development project area for each development project adopted,**
10 **and adopt development financing for each such development project area. No**
11 **development plan may be adopted until the development area is designatedNo**
12 **development project shall be adopted until the development plan is adopted**
13 **and the development project area for each development project shall be**
14 **designated at the time of adopting the development project.**

15 **2. A municipality may authorize an authority created pursuant to**
16 **section 99.921 to exercise all powers and perform all functions of a**
17 **transportation development district pursuant to sections 238.200 to 238.275,**
18 **RSMo, within a development area.**

19 **3. The municipality or authority shall hold public hearings and provide**
20 **notice pursuant to sections 99.957 and 99.960. Within ten days following the**
21 **completion of any such public hearing, the authority shall vote on, and shall**
22 **make recommendation to the governing body of the municipality with regard**
23 **to, any development plan, development projects, designation of a development**

24 area or amendments thereto which were proposed at such public hearing.

99.951. 1. Prior to the adoption of the ordinance designating a
2 development area, adopting a development plan, or approving a development
3 project, the municipality or authority shall fix a time and place for a public
4 hearing and notify each taxing district located wholly or partially within the
5 boundaries of the proposed development area or development project area
6 affected. Such notice shall comply with the provisions of subsection 2 of this
7 section. At the public hearing any interested person or affected taxing
8 district may file with the municipality or authority written objections to, or
9 comments on, and may be heard orally in respect to, any issues regarding the
10 plan or issues embodied in the notice. The municipality or authority shall
11 hear and consider all protests, objections, comments, and other evidence
12 presented at the hearing. The hearing may be continued to another date
13 without further notice other than a motion to be entered upon the minutes
14 fixing the time and place of the subsequent hearing. Prior to the conclusion
15 of the hearing, changes may be made in the development plan, development
16 project, development area or development project area, provided that written
17 notice of such changes is available at the public hearing. After the public
18 hearing but prior to the adoption of an ordinance designating a development
19 area, adopting a development plan or approving a development project,
20 changes may be made to any such proposed development plan, development
21 project, development area, or development project area without a further
22 hearing, if such changes do not enlarge the exterior boundaries of the
23 development area, and do not substantially affect the general land uses
24 established in a development plan or development project, provided that
25 notice of such changes shall be given by mail to each affected taxing district
26 and by publication in a newspaper of general circulation in the development
27 area or development project area, as applicable, not less than ten days prior
28 to the adoption of the changes by ordinance. After the adoption of an
29 ordinance designating the development area, adopting a development plan,
30 approving a development project, or designating a development project area,
31 no ordinance shall be adopted altering the exterior boundaries of the
32 development area or a development project area, affecting the general land
33 uses established pursuant to the development plan or the general nature of
34 a development project without holding a public hearing in accordance with
35 this section. One public hearing may be held for the simultaneous
36 consideration of a development area, development plan, development project,

37 or development project area.

38 2. Notice of the public hearing required by section 99.951 shall be given
39 by publication and mailing. Notice by publication shall be given by
40 publication at least twice, the first publication to be not more than thirty
41 days and the second publication to be not more than ten days prior to the
42 hearing, in a newspaper of general circulation in the proposed development
43 area or development project area, as applicable, and in two minority
44 newspapers, if such newspapers are published in the municipality, of which
45 one shall be published in the Spanish language, if such a newspaper is
46 published in the municipality. Notice by mailing shall be given by depositing
47 such notice in the United States mail by certified mail addressed to the
48 person or persons in whose name the general taxes for the last preceding year
49 were paid on each lot, block, tract, or parcel of land lying within the proposed
50 development area or development project area, as applicable, which is to be
51 subjected to the payment or payments in lieu of taxes and economic activity
52 taxes pursuant to section 99.957. Such notice shall be mailed not less than ten
53 working days prior to the date set for the public hearing. In the event taxes
54 for the last preceding year were not paid, the notice shall also be sent to the
55 persons last listed on the tax rolls within the preceding three years as the
56 owners of such property.

57 3. The notices issued pursuant to this section shall include the
58 following:

59 (1) The time and place of the public hearing;

60 (2) The general boundaries of the proposed development area or
61 development project area, as applicable, by street location, where possible;

62 (3) A statement that all interested persons shall be given an
63 opportunity to be heard at the public hearing;

64 (4) A description of the development plan and the proposed
65 development projects and a location and time where the entire development
66 plan or development projects proposed may be reviewed by any interested
67 party;

68 (5) An estimate of other net new revenues;

69 (6) A statement that development financing involving tax revenues and
70 payments in lieu of taxes is being sought for the project and an estimate of
71 the amount of local development financing that will be requested, if
72 applicable; and

73 (7) Such other matters as the municipality or authority may deem

74 **appropriate.**

75 **4. Not less than forty-five days prior to the date set for the public**
76 **hearing, the municipality or authority shall give notice by mail as provided**
77 **in subsection 2 of this section to all taxing districts with jurisdiction over**
78 **taxable property in the development area or development project area, as**
79 **applicable, and in addition to the other requirements pursuant to subsection**
80 **3 of this section, the notice shall include an invitation to each taxing district**
81 **to submit comments to the municipality or authority concerning the subject**
82 **matter of the hearing prior to the date of the hearing.**

83 **5. A copy of any and all hearing notices required by section 99.951 shall**
84 **be submitted by the municipality or authority to the director of the**
85 **department of economic development and the time such notices are mailed**
86 **or published, as applicable.**

99.954. 1. For the purpose of financing development project costs,
2 **obligations may be issued by the municipality, or, at the request of the**
3 **municipality, by the authority or any other political subdivision authorized**
4 **to issue bonds, but in no event by the state, to pay or reimburse development**
5 **project costs. Such obligations, when so issued, shall be retired in the manner**
6 **provided in the ordinance or resolution authorizing the issuance of such**
7 **obligations.**

8 **2. Obligations issued pursuant to sections 99.915 to 99.980 may be**
9 **issued in one or more series bearing interest at such rate or rates as the**
10 **issuing entity shall determine by ordinance or resolution. Such obligations**
11 **shall bear such date or dates, be in such denomination, carry such**
12 **registration privileges, be executed in such manner, be payable in such**
13 **medium of payment at such place or places, contain such covenants, terms,**
14 **and conditions, and be subject to redemption as such ordinance or resolution**
15 **shall provide. Obligations issued pursuant to sections 99.915 to 99.980 may**
16 **be sold at public or private sale at such price as shall be determined by the**
17 **issuing entity and shall state that obligations issued pursuant to sections**
18 **99.915 to 99.980 are special obligations payable solely from the funds**
19 **specifically pledged. No referendum approval of the electors shall be required**
20 **as a condition to the issuance of obligations pursuant to sections 99.915 to**
21 **99.980.**

22 **3. In the event the obligations contain a recital that they are issued**
23 **pursuant to sections 99.915 to 99.980, such recital shall be conclusive evidence**
24 **of their validity and of the regularity of their issuance.**

25 **4. Neither the municipality, the authority, or any other entity issuing**
26 **such obligations, or the members, commissioners, directors, or the officers of**
27 **any such entities nor any person executing any obligation shall be personally**
28 **liable for such obligation by reason of the issuance thereof. The obligations**
29 **issued pursuant to sections 99.915 to 99.980 shall not be a general obligation**
30 **of the state, the municipality, or any political subdivision thereof, nor in any**
31 **event shall such obligation be payable out of any funds or properties other**
32 **than those specifically pledged as security for such obligations. The**
33 **obligations shall not constitute indebtedness within the meaning of any**
34 **constitutional, statutory, or charter debt limitation or restriction.**

35 **5. Obligations issued pursuant to sections 99.915 to 99.980 may be**
36 **issued to refund, in whole or in part, obligations theretofore issued by such**
37 **entity pursuant to the authority of sections 99.915 to 99.980, whether at or**
38 **prior to maturity; provided, however, that the last maturity of the refunding**
39 **obligations shall not be expressed to mature later than the last maturity date**
40 **of the obligations to be refunded.**

41 **6. In the event a municipality or authority issues obligations under**
42 **home rule powers or other legislative authority, the proceeds of which are**
43 **pledged to pay for development project costs, the municipality may retire**
44 **such obligations from funds in the special allocation fund in amounts and in**
45 **such manner as if such obligations had been issued pursuant to the provisions**
46 **of sections 99.915 to 99.980.**

47 **7. State supplemental downtown development financing shall not be**
48 **used for retiring existing debt or refinancing existing obligations without**
49 **express approval from the director of the department of economic**
50 **development and the commissioner of the office of administration. No**
51 **approval shall be granted unless the application for state supplemental**
52 **downtown development financing contains development projects that are new**
53 **projects and were not a part of the development projects for which there is**
54 **existing debt or obligations.**

99.957. 1. A municipality, after designating a development area,
2 **adopting a development plan, and adopting any development project in**
3 **conformance with the procedures of sections 99.915 to 99.980, may adopt**
4 **development financing for the development project area selected for any such**
5 **development project by passing an ordinance. Upon the adoption of the first**
6 **of any such ordinances, the municipality shall establish, or shall direct the**
7 **authority to establish, a special allocation fund for the development area.**

8 **2. Immediately upon the adoption of a resolution or ordinance adopting**
9 **development financing for a development project area pursuant to subsection**
10 **1 of this section, the county assessor shall determine the total equalized**
11 **assessed value of all taxable real property within such development project**
12 **area by adding together the most recently ascertained equalized assessed**
13 **value of each taxable lot, block, tract, or parcel of real property within such**
14 **development project area as of the date of the adoption of such resolution or**
15 **ordinance and shall provide to the clerk of the municipality written**
16 **certification of such amount as the total initial equalized assessed value of**
17 **the taxable real property within such development project area.**

18 **3. In each of the twenty-five calendar years following the adoption of**
19 **an ordinance adopting development financing for a development project area**
20 **pursuant to subsection 1 of this section unless and until development**
21 **financing for such development project area is terminated by ordinance of the**
22 **municipality, the ad valorem taxes, and payments in lieu of taxes, if any,**
23 **arising from the levies upon taxable real property in such development**
24 **project area by taxing districts at the tax rates determined in the manner**
25 **provided in section 99.968 shall be divided as follows:**

26 **(1) That portion of taxes, penalties, and interest levied upon each**
27 **taxable lot, block, tract, or parcel of real property in such development**
28 **project area which is attributable to the initial equalized assessed value of**
29 **each such taxable lot, block, tract, or parcel of real property in such**
30 **development project area as certified by the county assessor in accordance**
31 **with subsection 2 of this section shall be allocated to and, when collected,**
32 **shall be paid by the collecting authority to the respective affected taxing**
33 **districts in the manner required by law in the absence of the adoption of**
34 **development financing;**

35 **(2) Payments in lieu of taxes attributable to the increase in the current**
36 **equalized assessed valuation of each taxable lot, block, tract, or parcel of real**
37 **property in the development project area and any applicable penalty and**
38 **interest over and above the initial equalized assessed value of each such**
39 **taxable lot, block, tract, or parcel of real property in such development**
40 **project area as certified by the county assessor in accordance with subsection**
41 **2 of this section shall be allocated to and, when collected, shall be paid to the**
42 **collecting officer of the municipality who shall deposit such payment in lieu**
43 **of taxes into a separate segregated account for payments in lieu of taxes**
44 **within the special fund. Payments in lieu of taxes which are due and owing**

45 shall constitute a lien against the real property from which such payments in
46 lieu of taxes are derived and shall be collected in the same manner as real
47 property taxes, including the assessment of penalties and interest where
48 applicable. The lien of payments in lieu of taxes may be foreclosed in the
49 same manner as the lien of real property taxes. No part of the current
50 equalized assessed valuation of each lot, block, tract, or parcel of property in
51 any such development project area attributable to any increase above the
52 initial equalized assessed value of each such taxable lot, block, tract, or
53 parcel of real property in such development project area as certified by the
54 county assessor in accordance with subsection 2 of this section shall be used
55 in calculating the general state school aid formula provided for in section
56 163.031, RSMo, until development financing for such development project area
57 expires or is terminated in accordance with sections 99.915 to 99.980;

58 (3) For purposes of this section, "levies upon taxable real property in
59 such development area by taxing districts" shall not include the blind pension
60 fund tax levied under the authority of section 38(b), article III, of the Missouri
61 Constitution, the merchants' and manufacturers' inventory replacement tax
62 levied under the authority of subsection 2 of section 6, article X of the
63 Missouri Constitution, the desegregation sales tax, or the conservation taxes.

64 4. In each of the twenty-five calendar years following the adoption of
65 an ordinance or resolution adopting development financing for a development
66 project area pursuant to subsection 1 of this section unless and until
67 development financing for such development project area is terminated in
68 accordance with sections 99.915 to 99.980, fifty percent of the economic
69 activity taxes from such development project area shall be allocated to, and
70 paid by the collecting officer of any such economic activity tax to, the
71 treasurer or other designated financial officer of the municipality, who shall
72 deposit such funds in a separate segregated account for economic activity
73 taxes within the special allocation fund.

74 5. In no event shall a municipality collect and deposit economic
75 activity taxes in the special allocation fund unless the developing project has
76 been approved for state supplemental downtown development financing
77 pursuant to section 99.960.

99.960. 1. A municipality shall submit an application to the Missouri
2 development finance board for approval of the disbursement of the project
3 costs of one or more development projects from the state supplemental
4 downtown development fund. In no event shall any approval authorize a

5 **disbursement of one or more development projects from the state**
6 **supplemental downtown development fund which exceeds the allowable**
7 **amount of other net new revenues derived from the development area. An**
8 **application submitted to the Missouri development finance board shall**
9 **contain the following, in addition to the items set forth in section 99.942:**

10 **(1) An estimate that one hundred percent of the payments in lieu of**
11 **taxes and economic activity taxes deposited to the special allocation fund**
12 **must and will be used to pay development project costs or obligations issued**
13 **to finance development project costs to achieve the objectives of the**
14 **development plan. Contributions to the development project from any private**
15 **not-for-profit organization or local contributions from tax abatement or other**
16 **sources may be substituted on a dollar for dollar basis for the local match of**
17 **one hundred percent of payments in lieu of taxes and economic activity taxes**
18 **from the fund;**

19 **(2) Identification of the existing businesses located within the**
20 **development project area and the development area;**

21 **(3) The aggregate baseline year amount of state sales tax revenues and**
22 **the aggregate baseline year amount of state income tax withheld on behalf of**
23 **existing employees, reported by existing businesses within the development**
24 **project area. Provisions of section 32.057, RSMo, notwithstanding,**
25 **municipalities will provide this information to the department of revenue for**
26 **verification. The department of revenue will verify the information provided**
27 **by the municipalities within forty-five days of receiving a request for such**
28 **verification from a municipality;**

29 **(4) An estimate of the state sales tax increment and state income tax**
30 **increment within the development project area after redevelopment;**

31 **(5) An affidavit that is signed by the developer or developers attesting**
32 **that the provision of subdivision (2) of subsection 3 of section 99.942 has been**
33 **met and specifying that the development area would not be reasonably**
34 **anticipated to be developed without the appropriation of the other net new**
35 **revenues;**

36 **(6) The amounts and types of other net new revenues sought by the**
37 **applicant to be disbursed from state supplemental downtown development**
38 **fund over the term of the development plan;**

39 **(7) The methodologies and underlying assumptions used in determining**
40 **the estimate of the state sales tax increment and the state income tax**
41 **increment;**

42 **(8) Any other information reasonably requested by the Missouri**
43 **development finance board.**

44 **2. The Missouri development finance board shall make all reasonable**
45 **efforts to process applications within sixty days of receipt of the application.**

46 **3. The Missouri development finance board shall make a determination**
47 **regarding the application for a disbursement from the state supplemental**
48 **downtown development fund and shall forward such determination to the**
49 **director of the department of economic development. In no event shall the**
50 **amount of disbursements from the state supplemental downtown development**
51 **fund approved for a project, in addition to any other economic development**
52 **funding or incentives, exceed the projected state benefit of the development**
53 **project, as determined by the department of economic development. Upon**
54 **approval of state supplemental downtown development financing, a certificate**
55 **of approval shall be issued by the department of economic development**
56 **containing the terms and limitations of the disbursement.**

57 **4. At no time shall the annual amount of other net new revenues**
58 **approved for disbursements from the state supplemental downtown**
59 **development fund exceed one hundred million dollars.**

60 **5. Development projects receiving disbursements from the state**
61 **supplemental downtown development fund shall be limited to receiving such**
62 **disbursements for fifteen years, unless specific approval for a longer term is**
63 **given by the director of the department of economic development, as set forth**
64 **in the certificate of approval; except that, in no case shall the duration exceed**
65 **twenty-five years. The approved term notwithstanding, state supplemental**
66 **downtown development financing shall terminate when development**
67 **financing for a development project is terminated by a municipality.**

68 **6. The municipality shall deposit payments received from the state**
69 **supplemental downtown development fund in a separate segregated account**
70 **for other net new revenues within the special allocation fund.**

71 **7. Development project costs may include, at the prerogative of the**
72 **state, the portion of salaries and expenses of the department of economic**
73 **development, the Missouri development finance board, and the department**
74 **of revenue reasonably allocable to each development project approved for**
75 **disbursements from the state supplemental downtown development fund for**
76 **the ongoing administrative functions associated with such development**
77 **project. Such amounts shall be deposited into the state supplemental**
78 **downtown development fund created under section 99.963.**

79 **8. A development project approved for state supplemental downtown**
80 **development financing may not thereafter elect to receive tax increment**
81 **financing pursuant to the real property tax increment allocation**
82 **redevelopment act, sections 99.800 to 99.865, and continue to receive state**
83 **supplemental downtown development financing pursuant to sections 99.915**
84 **to 99.980.**

85 **9. The Missouri development finance board shall promulgate rules and**
86 **regulations and publish forms to implement the provisions of this section and**
87 **section 99.963.**

88 **10. Any rule or portion of a rule, as that term is defined in section**
89 **536.010, RSMo, that is created under the authority delegated in this section**
90 **and section 99.963 shall become effective only if it complies with and is**
91 **subject to all of the provisions of chapter 536, RSMo, and, if applicable,**
92 **section 536.028, RSMo. This section, section 99.963, and chapter 536, RSMo,**
93 **are nonseverable and if any of the powers vested with the general assembly**
94 **pursuant to chapter 536, RSMo, to review, to delay the effective date, or to**
95 **disapprove and annul a rule are subsequently held unconstitutional, then the**
96 **grant of rulemaking authority and any rule proposed or adopted after August**
97 **28, 2003, shall be invalid and void.**

99.963. 1. There is hereby established within the state treasury a
2 **special fund to be known as the "State Supplemental Downtown Development**
3 **Fund", to be administered by the department of economic development. Any**
4 **unexpended balance and any interest in the fund at the end of the biennium**
5 **shall be exempt from the provisions of section 33.080, RSMo, relating to the**
6 **transfer of unexpended balances to the general revenue fund. The fund shall**
7 **consist of money:**

8 **(1) The first one hundred fifty million dollars of other net new**
9 **revenues generated by the development projects;**

10 **(2) Received from fees charged pursuant to subsection 7 of section**
11 **99.960;**

12 **(3) Received from costs charged pursuant to subsection 8 of section**
13 **99.960; and**

14 **(4) From any gifts, contributions, grants, or bequests received from**
15 **federal, private, or other sources.**

16 **2. Notwithstanding the provisions of section 144.700, RSMo, to the**
17 **contrary, the department of revenue shall submit the first one hundred fifty**
18 **million of other net new revenues generated by the development projects to**

19 the treasurer for deposit in the state supplemental downtown development
20 fund.

21 **3. The department of economic development shall annually disburse**
22 **funds from the state supplemental downtown development fund in amounts**
23 **determined pursuant to the certificates of approval for projects, providing**
24 **that the amounts of other net new revenues generated from the development**
25 **area have been verified and all of the conditions of sections 99.915 to 99.980**
26 **are met. If the revenues appropriated into the state supplemental downtown**
27 **development fund are not sufficient to equal the amounts determined to be**
28 **disbursed pursuant to such certificates of approval, the department of**
29 **economic development shall disburse the revenues on a pro rata basis to all**
30 **such projects and other costs approved pursuant to section 99.960 of this**
31 **section.**

32 **4. In no event shall the amounts distributed to a project from the state**
33 **supplemental downtown development fund exceed the lesser of the amount**
34 **of the certificates of approval for projects or the actual other net new**
35 **revenues generated by the projects.**

36 **5. The department of economic development shall not disburse any**
37 **moneys from the state supplemental downtown development fund for any**
38 **project which has not complied with the annual reporting requirements of**
39 **section 99.980.**

40 **6. Money in the state supplemental downtown development fund may**
41 **be spent for the reasonable and necessary costs associated with the**
42 **administration of the program authorized under sections 99.915 to 99.980.**

43 **7. No municipality shall obligate or commit the expenditure of**
44 **disbursements received from the state supplemental downtown development**
45 **fund prior to receiving a certificate of approval for the development project**
46 **generating other net new revenues.**

47 **8. Taxpayers in any development area who are required to remit sales**
48 **taxes pursuant to chapter 144, RSMo, or income tax withholdings pursuant to**
49 **chapter 143, RSMo, shall provide additional information to the department of**
50 **revenue in a form prescribed by the department by rule. Such information**
51 **shall include but shall not be limited to information upon which other net**
52 **new revenues can be calculated, and shall include the number of new jobs, the**
53 **gross payroll for such jobs, and sales tax generated in the development area**
54 **by such taxpayer in the baseline year and during the time period related to**
55 **the withholding or sales tax remittance.**

56 **9. Any rule or portion of a rule, as that term is defined in section**
57 **536.010, RSMo, that is created under the authority delegated in this section**
58 **shall become effective only if it complies with and is subject to all of the**
59 **provisions of chapter 536, RSMo, and, if applicable, section 536.028,**
60 **RSMo. This section and chapter 536, RSMo, are nonseverable and if any of**
61 **the powers vested with the general assembly pursuant to chapter 536, RSMo,**
62 **to review, to delay the effective date, or to disapprove and annul a rule are**
63 **subsequently held unconstitutional, then the grant of rulemaking authority**
64 **and any rule proposed or adopted after August 28, 2003, shall be invalid and**
65 **void.**

99.965. 1. When all development project costs and all obligations issued
2 **to finance development project costs have been paid in full, the municipality**
3 **shall adopt an ordinance terminating development financing for all**
4 **development project areas. Immediately upon the adoption of such**
5 **ordinance, all payments in lieu of taxes, all economic activity taxes, and other**
6 **net new revenues then remaining in the special allocation fund shall be**
7 **deemed to be surplus funds; and thereafter, the rates of the taxing districts**
8 **shall be extended and taxes levied, collected, and distributed in the manner**
9 **applicable in the absence of the adoption of development financing. Surplus**
10 **payments in lieu of taxes shall be paid to the county collector who shall**
11 **immediately thereafter pay such funds to the taxing districts in the**
12 **development area selected in the same manner and proportion as the most**
13 **recent distribution by the collector to the affected taxing districts of real**
14 **property taxes from real property in the development area. Surplus economic**
15 **activity taxes shall be paid to the taxing districts in the development area in**
16 **proportion to the then current levy rates of such taxing districts that are**
17 **attributable to economic activity taxes. Surplus other net new revenues shall**
18 **be paid to the state. Any other funds remaining in the special allocation fund**
19 **following the adoption of an ordinance terminating development financing in**
20 **accordance with this section shall be deposited to the general fund of the**
21 **municipality.**

22 **2. Upon the payment of all development project costs, retirement of**
23 **obligations, and the distribution of any surplus funds pursuant to this section,**
24 **the municipality shall adopt an ordinance dissolving the special allocation**
25 **fund and terminating the designation of the development area as a**
26 **development area.**

27 **3. Nothing in sections 99.915 to 99.980 shall be construed as relieving**

28 property in such areas from paying a uniform rate of taxes, as required by
29 section 3, article X of the Missouri Constitution.

99.968. In each of the twenty-five calendar years following the adoption
2 of an ordinance adopting development financing for a development project
3 area, unless and until development financing for such development project
4 area is terminated by ordinance of the municipality, then, in respect to every
5 taxing district containing such development project area, the county clerk,
6 or any other official required by law to ascertain the amount of the equalized
7 assessed value of all taxable property within such development project area
8 for the purpose of computing any debt service levies to be extended upon
9 taxable property within such development project area, shall in every year
10 that development financing is in effect ascertain the amount of value of
11 taxable property in such development project area by including in such
12 amount the certified total initial equalized assessed value of all taxable real
13 property in such development project area in lieu of the equalized assessed
14 value of all taxable real property in such development project area. For the
15 purpose of measuring the size of payments in lieu of taxes under sections
16 99.915 to 99.980, all tax levies shall then be extended to the current equalized
17 assessed value of all property in the development project area in the same
18 manner as the tax rate percentage is extended to all other taxable property
19 in the taxing district.

99.971. Beginning in 2008, and every five years thereafter, a joint
2 committee of the general assembly, comprised of five members appointed by
3 the speaker of the house of representatives and five members appointed by
4 the president pro tempore of the senate, shall review sections 99.915 to 99.980.
5 report based on such review, with any recommended legislative changes, shall
6 be submitted to the speaker of the house of representatives and the president
7 pro tempore of the senate no later than February first following the year in
8 which the review is conducted.

99.975. No new Missouri downtown economic stimulus act applications
2 shall be approved after January 1, 2013.

99.980. 1. By the last day of February each year, the municipality or
2 authority shall report to the director of the department of economic
3 development the name, address, phone number, and primary line of business
4 of any business which relocates to the development area.

2. Each year the governing body of the municipality, or its designee,
6 shall prepare a report concerning the status of the development plan, the

7 **development area, and the included development projects, and shall submit**
8 **a copy of such report to the director of the department of economic**
9 **development. The report shall include the following:**

10 **(1) The name, street and mailing addresses, phone number, and chief**
11 **officer of the granting body;**

12 **(2) The name, street and mailing addresses, phone number, and chief**
13 **officer of any business benefitting from public expenditures in such**
14 **development plans and projects;**

15 **(3) The amount and source of revenue in the special allocation fund;**

16 **(4) The amount and purpose of expenditures from the special allocation**
17 **fund;**

18 **(5) The amount of any pledge of revenues, including principal and**
19 **interest on any outstanding bonded indebtedness;**

20 **(6) The original assessed value of the development area;**

21 **(7) The assessed valuation added to the development area;**

22 **(8) Payments made in lieu of taxes received and expended;**

23 **(9) The economic activity taxes generated within the development area**
24 **in the baseline year;**

25 **(10) The economic activity taxes generated within the development**
26 **area after the baseline year;**

27 **(11) Reports on contracts made incident to the implementation and**
28 **furtherance of a development area, the development plan, and the included**
29 **development projects;**

30 **(12) A copy of the development plan;**

31 **(13) The cost of any property acquired, disposed of, rehabilitated,**
32 **reconstructed, repaired, or remodeled;**

33 **(14) The number of parcels acquired by or through initiation of**
34 **eminent domain proceedings;**

35 **(15) For municipalities with more than four hundred thousand**
36 **inhabitants, the number of development projects developed in connection**
37 **with community development corporations and the amount of funds**
38 **generated pursuant to section 99.957 which are expended in connection with**
39 **such project;**

40 **(16) A summary of the number of net new jobs created, broken down**
41 **by full-time, part-time, and temporary positions, and by wage groups;**

42 **(17) The comparison of the total employment in this state by any**
43 **business benefitting from public expenditures in the development area**

44 including any corporate parent on the date of the application and the date of
45 the report, broken down by full-time, part-time, and temporary positions;

46 (18) A statement as to whether public expenditures on any development
47 project during the previous fiscal year has reduced employment at any other
48 site controlled by any business benefitting from public expenditures in the
49 development area or its corporate parent, within or without of this state as
50 a result of automation, merger, acquisition, corporate restructuring, or other
51 business activity;

52 (19) A summary of the other community and economic benefits
53 resulting from the project, consistent with those identified in the application;

54 (20) A signed certification by the chief officer of the authority or
55 municipality as to the accuracy of the progress report; and

56 (21) Any additional information the department of economic
57 development deems necessary.

58 3. The department shall compile and publish all data from the progress
59 reports in both written and electronic form, including the department's
60 Internet website.

61 4. The department shall have access at all reasonable times to the
62 project site and the records of any authority or municipality in order to
63 monitor the development project or projects and to prepare progress reports.

64 5. Data contained in the report mandated pursuant to the provisions
65 of subsection 1 of this section and any information regarding amounts
66 disbursed to municipalities pursuant to the provisions of sections 99.957 and
67 99.960 shall be deemed a public record, as defined in section 610.010, RSMo.

68 6. Any municipality failing to file an annual report as required
69 pursuant to this section shall be ineligible to receive any disbursements from
70 the state supplemental downtown development fund pursuant to section
71 99.963.

72 7. The Missouri development finance board and the department of
73 economic development shall annually review the reports provided pursuant
74 to this section and shall have the authority to modify the certificate of
75 approval for state supplemental downtown development financing approved
76 for a project pursuant to section 99.960.

77 8. The director of the department of economic development shall
78 submit a report to the governor, the speaker of the house of representatives,
79 and the president pro tempore of the senate no later than April thirtieth of
80 each year. The report shall contain a summary of all information received by

81 the director of economic development pursuant to subsection 2 of this section.

82 **9. An annual statement showing the payments made in lieu of taxes**
83 **received and expended in that year, the status of the development area, the**
84 **development plan, and the development projects in the development plan, the**
85 **amount of outstanding obligations, and any additional information that the**
86 **municipality deems necessary shall be published in a newspaper of general**
87 **circulation in the municipality.**

88 **10. Five years after the establishment of the development area and the**
89 **development plan and every five years thereafter the governing body of the**
90 **municipality or authority shall hold a public hearing regarding the**
91 **development area and the development plan and the development projects**
92 **adopted pursuant to sections 99.915 to 99.980. The purpose of the hearing**
93 **shall be to determine if the development area, development plan, and the**
94 **included development projects are making satisfactory progress under the**
95 **proposed time schedule contained within the approved development plan for**
96 **completion of such development projects. Notice of such public hearing shall**
97 **be given in a newspaper of general circulation in the area served by the**
98 **municipality or authority once each week for four weeks immediately prior**
99 **to the hearing.**

99.1000. As used in sections 99.1000 to 99.1060, unless the context
2 **clearly requires otherwise, the following terms shall mean:**

3 **(1) "Authority", the rural economic stimulus authority for a**
4 **municipality, created pursuant to section 99.1006;**

5 **(2) "Baseline year", the calendar year prior to the adoption of an**
6 **ordinance by the municipality approving a development project;**

7 **(3) "Collecting officer", the officer of the municipality responsible for**
8 **receiving and processing payments in lieu of taxes, economic activity taxes**
9 **other than economic activity taxes which are local sales taxes, and other local**
10 **taxes other than local sales taxes, and, for local sales taxes and state taxes,**
11 **the director of revenue;**

12 **(4) "Development area", an area designated by a municipality which**
13 **area shall have the following characteristics:**

14 **(a) It includes only those parcels of real property directly and**
15 **substantially benefitted by the proposed development plan;**

16 **(b) It can be renovated through one or more development projects;**

17 **(c) It is contiguous, provided, however that a development area may**
18 **include up to three noncontiguous areas selected for development projects,**

19 provided that each noncontiguous area meets the requirements of paragraphs
20 (a) and (b) of this subdivision; and

21 (d) The development area shall not exceed ten percent of the entire
22 area of the municipality.

23 Subject to the limitation set forth in this subdivision, the development area
24 can be enlarged or modified as provided in section 99.1036;

25 (5) "Development plan", the comprehensive program of a municipality
26 and to thereby enhance the tax bases of the taxing districts which extend into
27 the development area through the reimbursement, payment, or other
28 financing of development project costs in accordance with sections 99.1000 to
29 99.1060 and through the exercise of the powers set forth in sections 99.1000
30 to 99.1060. The development plan shall conform to the requirements of
31 section 99.1027;

32 (6) "Development project", any development project within a
33 development area which creates a renewable fuel production facility, and any
34 such development project shall include a legal description of the area selected
35 for such development project;

36 (7) "Development project area", the area located within a development
37 area selected for a development project;

38 (8) "Development project costs" include such costs to the development
39 plan or a development project, as applicable, which are expended on public
40 property, buildings, or rights-of-ways for public purposes to provide
41 infrastructure to support a development project. Such costs shall only be
42 allowed as an initial expense which, to be recoverable, must be included in
43 the costs of a development plan or development project, except in
44 circumstances of plan amendments approved by the Missouri agricultural and
45 small business development authority and the department of economic
46 development. Such infrastructure costs include, but are not limited to, the
47 following:

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

49 (b) Professional service costs, including, but not limited to,
50 architectural, engineering, legal, marketing, financial, planning, or special
51 services;

52 (c) Property assembly costs, including, but not limited to, acquisition
53 of land and other property, real or personal, or rights or interests therein,
54 demolition of buildings, and the clearing and grading of land;

55 (d) Costs of rehabilitation, reconstruction, repair, or remodeling of

56 existing public buildings and fixtures;

57 (e) Costs of construction of public works or improvements;

58 (f) Financing costs, including, but not limited to, all necessary expenses
59 related to the issuance of obligations issued to finance all or any portion of
60 the infrastructure costs of one or more development projects, and which may
61 include capitalized interest on any such obligations and reasonable reserves
62 related to any such obligations;

63 (g) All or a portion of a taxing district's capital costs resulting from
64 any development project necessarily incurred or to be incurred in
65 furtherance of the objectives of the development plan, to the extent the
66 municipality by written agreement accepts and approves such infrastructure
67 costs;

68 (h) Payments to taxing districts on a pro rata basis to partially
69 reimburse taxes diverted by approval of a development project;

70 (i) State government costs, including, but not limited to, the reasonable
71 costs incurred by the department of economic development, and the
72 department of revenue in evaluating an application for and administering
73 state supplemental rural development financing for a development project;
74 and

75 (j) Stipends to an institution of higher education which has a
76 designation as a Carnegie Research I University including any campus of such
77 university system;

78 (9) "Economic activity taxes", the total additional revenue from taxes
79 which are imposed by the municipality and other taxing districts, and which
80 are generated by economic activities within each development project area
81 over the amount of such taxes generated by economic activities within such
82 development project area in the baseline year; but excluding taxes imposed
83 on sales or charges for sleeping rooms paid by transient guests of hotels and
84 motels, licenses, fees, or special assessments. If a retail establishment
85 relocates within one year from one facility to another facility within the same
86 county and the municipality or authority finds that the retail establishment
87 is a direct beneficiary of development financing, then for purposes of this
88 definition, the economic activity taxes generated by the retail establishment
89 shall equal the total additional revenues from economic activity taxes which
90 are imposed by the municipality and other taxing district over the amount of
91 economic activity taxes generated by the retail establishment in the baseline
92 year;

93 **(10) "Major initiative", a development project that:**

94 **(a) Promotes the development of a facility producing either a good**
 95 **derived from an agricultural commodity or using a process to produce a good**
 96 **derived from an agricultural product, the estimated cost of which is in excess**
 97 **of the amount set forth below for the municipality, as applicable; or**

98 **(b) Promotes business location or expansion, the estimated cost of**
 99 **which is in excess of the amount set forth below for the municipality, and is**
 100 **estimated to create at least as many new jobs as set forth below within three**
 101 **years of such location or expansion:**

102	Population of	Estimated	New Jobs
103	Municipality	Project Cost	Created
104	99,999 or less	\$3,000,000	at least 30;

105 **(11) "Municipality", any city, village, incorporated town, or any county**
 106 **of this state established on or prior to January 1, 2001;**

107 **(12) "New job", any job defined as a new job pursuant to subdivision**
 108 **(10) of section 100.710, RSMo;**

109 **(13) "Obligations", bonds, loans, debentures, notes, special certificates,**
 110 **or other evidences of indebtedness issued by the municipality or authority,**
 111 **or other public entity authorized to issue such obligations pursuant to**
 112 **sections 99.1000 to 99.1060 to carry out a development project or to refund**
 113 **outstanding obligations;**

114 **(14) "Ordinance", an ordinance enacted by the governing body of any**
 115 **municipality or an order of the governing body of such a municipal entity**
 116 **whose governing body is not authorized to enact ordinances;**

117 **(15) "Other net new revenues", the amount of state sales tax increment**
 118 **or state income tax increment or the combination of the amount of each such**
 119 **increment as determined under section 99.1045;**

120 **(16) "Payment in lieu of taxes", those revenues from real property in**
 121 **each development project area, which taxing districts would have received**
 122 **had the municipality not adopted a development plan and the municipality**
 123 **not adopted development financing, and which would result from levies made**
 124 **after the time of the adoption of development financing during the time the**
 125 **current equalized value of real property in such development project area**
 126 **exceeds the total equalized value of real property in such development**
 127 **project area during the baseline year until development financing for such**
 128 **development project area expires or is terminated pursuant to sections**
 129 **99.1000 to 99.1060;**

130 **(17) "Renewable fuel production facility", a facility producing an energy**
131 **source which is derived from a renewable, domestically grown, organic**
132 **compound capable of powering machinery, including an engine or power**
133 **plant, and any by-product derived from such energy source;**

134 **(18) "Special allocation fund", the fund of the municipality or its**
135 **authority required to be established pursuant to section 99.1042 which special**
136 **allocation fund shall contain at least four separate segregated accounts into**
137 **which payments in lieu of taxes are deposited in one account, economic**
138 **activity taxes are deposited in a second account, other net new revenues are**
139 **deposited in a third account, and other revenues, if any, received by the**
140 **authority or the municipality for the purpose of implementing a development**
141 **plan or a development project are deposited in a fourth account;**

142 **(19) "State income tax increment", the estimate of the income tax due**
143 **the state for salaries or wages paid to new employees in new jobs at a**
144 **business located in the development project area and created by the**
145 **development project. The estimate shall be a percentage of the gross payroll**
146 **which percentage shall be based upon an analysis by the department of**
147 **revenue of the practical tax rate on gross payroll as a factor in overall**
148 **taxable income. In no event shall the percentage exceed two percent;**

149 **(20) "State sales tax increment", the incremental increase in the state**
150 **sales tax revenue in the development project area. In no event shall the**
151 **incremental increase include any amounts attributable to retail sales unless**
152 **the municipality or authority has proven to the Missouri agricultural and**
153 **small business development authority and the department of economic**
154 **development and such entities have made a finding that the sales tax**
155 **increment attributable to retail sales is from new sources which did not exist**
156 **in the state during the baseline year. In addition, the incremental increase**
157 **for an existing facility shall be the amount by which the state sales tax**
158 **revenue generated at the facility exceeds the state sales tax revenue**
159 **generated at the facility in the baseline year. The incremental increase for**
160 **a Missouri facility which relocates to a development project area shall be the**
161 **amount by which the state sales tax revenue of the facility exceeds the state**
162 **sales tax revenue for the facility in the calendar year prior to relocation;**

163 **(21) "State sales tax revenues", the general revenue portion of state**
164 **sales tax revenues received pursuant to section 144.020, RSMo, excluding**
165 **sales taxes that are constitutionally dedicated, taxes deposited to the school**
166 **district trust fund in accordance with section 144.701, RSMo, sales and use**

167 **taxes on motor vehicles, trailers, boats and outboard motors and future sales**
168 **taxes earmarked by law;**

169 **(22) "Taxing districts", any political subdivision of this state having the**
170 **power to levy taxes; and**

171 **(23) "Taxing district's capital costs", those costs of taxing districts for**
172 **capital improvements that are found by the municipal governing bodies to be**
173 **necessary and to directly result from a development project.**

99.1006. Each municipality may create an authority to be known as a
2 **"Rural Economic Stimulus Authority"; provided, however:**

3 **(1) No such authority shall transact any business or exercise its powers**
4 **pursuant to sections 99.1000 to 99.1060 until and unless the governing body**
5 **of such municipality shall, in accordance with subsection 1 of section 99.1033,**
6 **approve, by ordinance, the exercise of the powers, functions, and duties of an**
7 **authority under sections 99.1000 to 99.1060;**

8 **(2) No governing body of a municipality shall adopt an ordinance**
9 **pursuant to subdivision (1) of this section unless it finds:**

10 **(a) That it would be in the interest of the public to consider the**
11 **establishment of a development area in accordance with sections 99.1000 to**
12 **99.1060; and**

13 **(b) That the development of such a development area would be in the**
14 **interest of the public health, safety, morals, or welfare of the residents of**
15 **such municipality.**

99.1009. 1. Each authority created pursuant to section 99.1006 shall be
2 **governed by a board of commissioners. The number of commissioners serving**
3 **on the board of each authority shall be no less than five and no more than**
4 **fourteen, which number shall be established by ordinance of the municipality.**

5 **2. One of the initial commissioners appointed pursuant to this**
6 **subsection shall be appointed by the school district or districts located within**
7 **the development area for a term of three years. The other initial**
8 **commissioners appointed pursuant to this subsection shall serve staggered**
9 **terms of one, two, and three years as determined by the mayor or chief**
10 **executive officer of the municipality at the time of their**
11 **appointment. Thereafter, successor commissioners shall be appointed by the**
12 **mayor or chief executive officer of the municipality or the school district or**
13 **districts making the initial appointments for a term of three years. All**
14 **vacancies shall be filled by appointment of the mayor or chief executive**
15 **officer of the municipality, or the school district or districts, for the**

16 unexpired term. In addition to the commissioners appointed in accordance
17 with this subsection, a nonvoting advisor shall be appointed by the other
18 taxing districts located within the development area.

99.1012. 1. The powers of the authority created pursuant to section
2 99.1006 shall be exercised by its board of commissioners. A majority of the
3 commissioners shall constitute a quorum of such board for the purpose of
4 conducting business and exercising the powers of the authority and for all
5 other purposes. Action may be taken by the board upon a vote of a majority
6 of the commissioners present in person or by teleconference, unless in any
7 case the bylaws of the authority shall require a larger number. Meetings of
8 the board of the authority may be held anywhere within the municipality.

9 2. The commissioners of the authority annually shall elect a chair and
10 vice chair from among the commissioners; however, the first chair shall be
11 designated by the mayor for a term of one year. The mayor or chief executive
12 officer of the municipality shall serve as the co-chair of the authority. The
13 authority may employ an executive director, technical experts, and such other
14 officers, agents, and employees, permanent and temporary, as it may require,
15 and shall determine their qualifications, duties, and compensation. For such
16 legal services as it may require, an authority may call upon the chief law
17 officer of the municipality or may employ its own counsel and legal staff.

18 3. A commissioner of an authority shall receive no compensation for his
19 or her services, but may receive the necessary expenses, including traveling
20 expenses, incurred in the discharge of his or her duties. Each commissioner
21 shall hold office until a successor has been appointed.

22 4. For inefficiency or neglect of duty or misconduct in office, a
23 commissioner of an authority may be removed by the mayor or chief
24 executive officer of the municipality.

99.1015. 1. In any suit, action, or proceeding involving the validity or
2 enforcement of or relating to any contract of an authority entered into
3 pursuant to sections 99.1000 to 99.1060, such authority shall be conclusively
4 deemed to have become established and authorized to transact business and
5 exercise its powers under sections 99.1000 to 99.1060 upon proof of the
6 adoption of the appropriate ordinance prescribed in section 99.1006. Each
7 such ordinance shall be deemed sufficient if it authorizes the exercise of
8 powers under sections 99.1000 to 99.1060 by the authority and sets forth the
9 findings of the municipality as required in subdivision (2) of section 99.1006.

10 2. A copy of such ordinance duly certified by the clerk of the

11 **municipality shall be admissible in evidence in any suit, action, or**
12 **proceeding.**

13 **3. No lawsuit to set aside the creation of an authority, the approval of**
14 **a development plan, development project, development area or development**
15 **project area, or a tax levied pursuant to sections 99.1000 to 99.1060, or to**
16 **otherwise question the validity of the proceedings related thereto, shall be**
17 **brought after the expiration of ninety days from the effective date of the**
18 **ordinance or resolution in question.**

99.1018. 1. The authority created pursuant to section 99.1006 shall
2 **constitute a public body corporate and politic, exercising public and essential**
3 **governmental functions.**

4 **2. A municipality or an authority created pursuant to section 99.1006**
5 **shall have all the powers necessary or convenient to carry out and effectuate**
6 **the purposes and provisions of sections 99.1000 to 99.1060, including the**
7 **following powers in addition to others granted pursuant to sections 99.1000**
8 **to 99.1060:**

9 **(1) To prepare or cause to be prepared and approved development**
10 **plans and development projects to be considered at public hearings in**
11 **accordance with sections 99.1000 to 99.1060 and to undertake and carry out**
12 **development plans and development projects which have been adopted by**
13 **ordinance;**

14 **(2) To arrange or contract for the furnishing or repair, by any person**
15 **or agency, public or private, of services, privileges, streets, roads, public**
16 **utilities, or other facilities for or in connection with any development project;**
17 **and notwithstanding anything to the contrary contained in sections 99.1000**
18 **to 99.1060 or any other provision of law, to agree to any conditions that it may**
19 **deem reasonable and appropriate attached to federal financial assistance and**
20 **imposed pursuant to federal law relating to the determination of prevailing**
21 **salaries or wages or compliance with labor standards, in the undertaking or**
22 **carrying out of any development project, and to include in any contract let**
23 **in connection with any such development project provisions to fulfill such of**
24 **the conditions as it may deem reasonable and appropriate;**

25 **(3) Within a development area, to acquire by purchase, lease, gift,**
26 **grant, bequest, devise, or otherwise, or obtain options upon, any real or**
27 **personal property or any interest therein, necessary or incidental to a**
28 **development project, all in the manner and at such price as the municipality**
29 **or authority determines is reasonably necessary to achieve the objectives of**

30 a development plan;

31 (4) Within a development area, subject to provisions of section 99.1021
32 with regard to the disposition of real property, to sell, lease, exchange,
33 transfer, assign, subdivide, retain for its own use, mortgage, pledge,
34 hypothecate, or otherwise encumber or dispose of any real or personal
35 property or any interest therein, all in the manner and at such price and
36 subject to any covenants, restrictions, and conditions as the municipality or
37 authority determines is reasonably necessary to achieve the objectives of a
38 development plan; to make any such covenants, restrictions, or conditions as
39 covenants running with the land, and to provide appropriate remedies for any
40 breach of any such covenants, restrictions, or conditions, including the right
41 in the municipality or authority to terminate such contracts and any interest
42 in the property created pursuant thereto;

43 (5) Within a development area, to clear any area by demolition or
44 removal of existing buildings and structures;

45 (6) To install, repair, construct, reconstruct, or relocate streets,
46 utilities, and site improvements as necessary or desirable for the preparation
47 of a development area for use in accordance with a development plan;

48 (7) Within a development area, to fix, charge, and collect fees, rents,
49 and other charges for the use of any real or personal property, or any portion
50 thereof, in which the municipality or authority has any interest;

51 (8) To accept grants, guarantees, and donations of property, labor, or
52 other things of value from any public or private source for purposes of
53 implementing a development plan;

54 (9) In accordance with section 99.1021, to select one or more developers
55 to implement a development plan, or one or more development projects, or
56 any portion thereof;

57 (10) To charge as a development project cost the reasonable costs
58 incurred by the municipality or authority, the department of economic
59 development, the department of revenue or the office of administration in
60 evaluating, administering, or implementing the development plan or any
61 development project;

62 (11) To borrow money and issue obligations in accordance with
63 sections 99.1000 to 99.1060 and provide security for any such loans or
64 obligations;

65 (12) To insure or provide for the insurance of any real or personal
66 property or operations of the municipality or authority against any risks or

67 hazards, including the power to pay premiums on any such insurance; and to
68 enter into any contracts necessary to effectuate the purposes of sections
69 99.1000 to 99.1060;

70 (13) Within a development area, to renovate, rehabilitate, construct,
71 repair, or improve any improvements, buildings, parking garages, fixtures,
72 structures, and other facilities;

73 (14) To invest any funds held in reserves or sinking funds, or any funds
74 not required for immediate disbursement, in property or securities in which
75 savings banks may legally invest funds subject to their control; to redeem
76 obligations at the redemption price established therein or to purchase
77 obligations at less than redemption price, all obligations so redeemed or
78 purchased to be canceled;

79 (15) To borrow money and to apply for and accept advances, loans,
80 grants, contributions, and any other form of financial assistance from the
81 federal government, state, county, municipality, or other public body or from
82 any sources, public or private, for the purposes of implementing a
83 development plan, to give such security as may be required and to enter into
84 and carry out contracts in connection therewith. A municipality or authority,
85 notwithstanding the provisions of any other law, may include in any contract
86 for financial assistance with the federal government for a project such
87 conditions imposed pursuant to federal law as the municipality or authority
88 may deem reasonable and appropriate and which are not inconsistent with
89 the purposes of sections 99.1000 to 99.1060;

90 (16) To incur development project costs and make such expenditures
91 as may be necessary to carry out the purposes of sections 99.1000 to 99.1060;
92 and to make expenditures from funds obtained from the federal government
93 without regard to any other laws pertaining to the making and approval of
94 appropriations and expenditures;

95 (17) To loan the proceeds of obligations issued pursuant to sections
96 99.1000 to 99.1060 for the purpose of providing for the purchase, construction,
97 extension, and improvement of public infrastructure related to a development
98 project by a developer pursuant to a development contract approved by the
99 municipality or authority in accordance with subdivision (2) of section
100 99.1021;

101 (18) To declare any funds, or any portion thereof, in the special
102 allocation fund to be excess funds, so long as such excess funds have not been
103 pledged to the payment of outstanding obligations or outstanding

104 **development project costs, are not necessary for the payment of development**
105 **project costs incurred or anticipated to be incurred, and are not required to**
106 **pay baseline state sales taxes and baseline state withholding taxes to the**
107 **director of revenue. Any such funds deemed to be excess shall be disbursed**
108 **in the manner of surplus funds as provided in section 99.1051;**

109 **(19) To pledge or otherwise expend funds deposited to the special**
110 **allocation fund, or any portion thereof, for the payment or reimbursement of**
111 **development project costs incurred by the authority, the municipality, a**
112 **developer selected by the municipality or authority in accordance with the**
113 **provisions of section 99.1021, or any other entity with the consent of the**
114 **municipality or authority; to pledge or otherwise expend funds deposited to**
115 **the special allocation fund, or any portion thereof, or to mortgage or**
116 **otherwise encumber its property, or any portion thereof, for the payment of**
117 **obligations issued to finance development project costs; provided, however,**
118 **any such pledge or expenditure of economic activity taxes or other net new**
119 **revenues shall be subject to annual appropriation by the municipality; and**

120 **(20) To exercise all powers or parts or combinations of powers**
121 **necessary, convenient, or appropriate to undertake and carry out**
122 **development plans and any development projects and all the powers granted**
123 **pursuant to sections 99.1000 to 99.1060, excluding powers of eminent domain.**

124 **2. If any member of the governing body of the municipality, a**
125 **commissioner of the authority, or an employee or consultant of the**
126 **municipality or authority, involved in the planning and preparation of a**
127 **development project, owns or controls an interest, direct or indirect, in any**
128 **property included in a development project area, the individual shall disclose**
129 **the same in writing to the clerk of the municipality, and shall also so disclose**
130 **the dates, terms, and conditions of any disposition of any such interest, which**
131 **disclosures shall be acknowledged by the governing body of the municipality**
132 **and entered upon the minutes books of the governing body of the**
133 **municipality. If an individual holds such an interest, then that individual**
134 **shall refrain from any further official involvement in regard to a development**
135 **project and from voting on any matter pertaining to such development project**
136 **or communicating with other commissioners or members of the authority or**
137 **the municipality concerning any matter pertaining to such development**
138 **project. Furthermore, subject to the succeeding sentence, no such member,**
139 **commissioner, employee, or consultant shall acquire any interest, direct or**
140 **indirect, in any property in a development project area or proposed**

141 development project area, after either (a) such individual obtains knowledge
142 of a development project, or (b) first public notice of such development
143 project, or development project area pursuant to subsection 2 of section
144 99.1036, whichever first occurs. At any time after one year from the adoption
145 of an ordinance designating a development project area, any commissioner
146 may acquire an interest in real estate located in a development project area
147 so long as any such commissioner discloses such acquisition and refrains from
148 voting on any matter related to the development project area in which the
149 property acquired by such commissioner is located.

150 3. An authority created pursuant to section 99.1006 shall have the
151 following powers in addition to others granted pursuant to sections 99.1000
152 to 99.1060:

153 (1) To sue and to be sued; to have a seal and to alter the same at the
154 authority's pleasure; to have perpetual succession; to make and execute
155 contracts and other instruments necessary or convenient to the exercise of
156 the powers of the authority; and to make and from time to time amend and
157 repeal bylaws, rules, and regulations, not inconsistent with sections 99.1000
158 to 99.1060, to carry out the provisions of sections 99.1000 to 99.1060;

159 (2) To delegate to a municipality or other public body any of the
160 powers or functions of the authority with respect to the planning or
161 undertaking of a development project, and any such municipality or public
162 body is hereby authorized to carry out or perform such powers or functions
163 for the authority;

164 (3) To receive and exercise powers delegated by any authority, agency,
165 or agent of a municipality created pursuant to this chapter or chapter 353,
166 RSMo, excluding powers of eminent domain.

99.1021. Real property which is acquired by a municipality or authority
2 in a development project area may be disposed of as follows:

3 (1) Within a development project area, the authority may sell, lease,
4 exchange, or otherwise transfer real property, including land, improvements,
5 and fixtures, or any interest therein, to any developer selected for a
6 development project, or any portion thereof, in accordance with the
7 development plan, subject to such covenants, conditions, and restrictions as
8 may be deemed to be in the public interest or to carry out the purposes of
9 sections 99.1000 to 99.1060. Such real property shall be sold, leased, or
10 transferred at its fair market value for uses in accordance with the
11 development plan; provided that such fair market value may be less than the

12 cost of such property to the municipality or authority. In determining the
13 fair market value of real property for uses in accordance with a development
14 plan, the municipality or authority shall take into account and give
15 consideration to the uses and purposes required by the development plan; the
16 restrictions upon, and the covenants, conditions, and obligations assumed by
17 the developer of such property; the objectives of the development plan; and
18 such other matters as the municipality or authority shall specify as being
19 appropriate. In fixing rental and sale prices, a municipality or authority shall
20 give consideration to appraisals of the property for such uses made by
21 experts employed by the municipality or authority;

22 (2) The municipality or authority shall, by public notice published in
23 a newspaper having a general circulation in a development area, prior to
24 selecting one or more developers for any development project, or any portion
25 thereof, invite proposals from, and make available all pertinent information
26 to, private developers or any persons interested in undertaking the
27 development of such development project, or any portion thereof. Such notice
28 shall be published at least once each week during the two weeks preceding
29 the selection of a developer, shall identify the area of the development project
30 or development projects, or any portion thereof, for which one or more
31 developers are to be selected, and shall state that such further information
32 as is available and may be obtained at the office of the municipality or
33 authority. The municipality or authority shall consider all proposals and the
34 financial and legal ability of the prospective developers to carry out their
35 proposals. The municipality or authority may negotiate and enter into one
36 or more contracts with any developer selected for the development of any
37 such area for the development of such area by such developer in accordance
38 with a development plan or for the sale or lease of any real property to any
39 such developer in any such area for the purpose of developing such property
40 in accordance with the development plan. The municipality or authority may
41 enter into any such contract as it deems to be in the public interest and in
42 furtherance of the purposes of sections 99.1000 to 99.1060; provided that the
43 municipality or authority has, not less than ten days prior thereto, notified
44 the governing body in writing of its intention to enter into such
45 contract. Thereafter, the municipality or authority may execute such contract
46 in accordance with the provisions of subdivision (1) of this section and
47 deliver deeds, leases, and other instruments and take all steps necessary to
48 effectuate such contract. In its discretion, the municipality or authority may,

49 in accordance with the provisions of this subdivision, dispose of any real
50 property in an area selected for a development project, or any portion
51 thereof, to private developers for development under such reasonable
52 competitive bidding procedures as it shall prescribe, subject to the provisions
53 of subdivision (1) of this section;

54 (3) In carrying out a development project, the authority may:

55 (a) Convey to the municipality such real property as, in accordance
56 with the development plan, is to be dedicated as public right-of-way for
57 streets, sidewalks, alleys, or other public ways, this power being additional
58 to and not limiting any and all other powers of conveyance of property to
59 municipalities expressed, generally or otherwise, in sections 99.1000 to
60 99.1060;

61 (b) Grant servitudes, easements, and rights-of-way for public utilities,
62 sewers, streets, and other similar facilities, in accordance with the
63 development plan; and

64 (c) Convey to the municipality or other appropriate public body such
65 real property as, in accordance with the development plan, is to be used for
66 parks, schools, public buildings, facilities, or other public purposes;

67 (4) The municipality or authority may operate and maintain real
68 property in the development area pending the disposition or development of
69 the property in accordance with a development plan, without regard to the
70 provisions of subdivisions (1) and (2) of this section, for such uses and
71 purposes as may be deemed desirable even though not in conformity with the
72 development plan.

99.1027. 1. A development plan shall set forth in writing a general
2 description of the program to be undertaken to accomplish the development
3 projects and related objectives and shall include, but need not be limited to:

4 (1) The name, street and mailing address, and phone number of the
5 mayor or chief executive officer of the municipality;

6 (2) The street address of the development site;

7 (3) The three-digit North American Industry Classification System
8 number or numbers characterizing the development project;

9 (4) The estimated development project costs;

10 (5) The anticipated sources of funds to pay such development project
11 costs;

12 (6) Evidence of the commitments to finance such development project
13 costs;

14 **(7) The anticipated type and term of the sources of funds to pay such**
15 **development project costs;**

16 **(8) The anticipated type and terms of the obligations to be issued;**

17 **(9) The most recent equalized assessed valuation of the property within**
18 **the development project area;**

19 **(10) An estimate as to the equalized assessed valuation after the**
20 **development project area is developed in accordance with a development**
21 **plan;**

22 **(11) The general land uses to apply in the development area;**

23 **(12) The total number of individuals employed in the development area,**
24 **broken down by full-time, part-time, and temporary positions;**

25 **(13) The total number of full-time equivalent positions in the**
26 **development area;**

27 **(14) The current gross wages, state income tax withholdings, and**
28 **federal income tax withholdings for individuals employed in the development**
29 **area;**

30 **(15) The total number of individuals employed in this state by the**
31 **corporate parent of any business benefitting from public expenditures in the**
32 **development area, and all subsidiaries thereof, as of December thirty-first of**
33 **the prior fiscal year, broken down by full-time, part-time, and temporary**
34 **positions;**

35 **(16) The number of new jobs to be created by any business benefitting**
36 **from public expenditures in the development area, broken down by full-time,**
37 **part-time, and temporary positions;**

38 **(17) The average hourly wage to be paid to all current and new**
39 **employees at the project site, broken down by full-time, part-time, and**
40 **temporary positions;**

41 **(18) For project sites located in a metropolitan statistical area, as**
42 **defined by the federal Office of Management and Budget, the average hourly**
43 **wage paid to nonmanagerial employees in this state for the industries**
44 **involved at the project, as established by the United States Bureau of Labor**
45 **Statistics;**

46 **(19) For project sites located outside of metropolitan statistical areas,**
47 **the average weekly wage paid to nonmanagerial employees in the county for**
48 **industries involved at the project, as established by the United States**
49 **Department of Commerce;**

50 **(20) A list of other community and economic benefits to result from the**

51 **project;**

52 **(21) A list of all development subsidies that any business benefitting**
53 **from public expenditures in the development area has previously received for**
54 **the project, and the name of any other granting body from which such**
55 **subsidies are sought;**

56 **(22) A list of all other public investments made or to be made by this**
57 **state or units of local government to support infrastructure or other needs**
58 **generated by the project for which the funding pursuant to this act is being**
59 **sought;**

60 **(23) A statement as to whether the development project may reduce**
61 **employment at any other site, within or without of the state, resulting from**
62 **automation, merger, acquisition, corporate restructuring, relocation, or other**
63 **business activity;**

64 **(24) A statement as to whether or not the project involves the**
65 **relocation of work from another address and if so, the number of jobs to be**
66 **relocated and the address from which they are to be relocated;**

67 **(25) A list of competing businesses in the county containing the**
68 **development area and in each contiguous county;**

69 **(26) A market study for the development area;**

70 **(27) A certification by the chief officer of the applicant as to the**
71 **accuracy of the development plan.**

72 **2. The development plan may be adopted by a municipality in reliance**
73 **on findings that a reasonable person would believe:**

74 **(1) The development area has not been subject to growth and**
75 **development through investment by private enterprise and would not**
76 **reasonably be anticipated to be developed without the implementation of one**
77 **or more development projects and the adoption of local and state**
78 **development financing;**

79 **(2) The development plan conforms to the comprehensive plan for the**
80 **development of the municipality as a whole;**

81 **(3) The estimated dates, which shall not be more than twenty-five years**
82 **from the adoption of the ordinance approving any development project, of the**
83 **completion of such development project and retirement of obligations**
84 **incurred to finance development project costs have been stated, provided that**
85 **no ordinance approving a development project shall be adopted later than**
86 **fifteen years from the adoption of the ordinance approving the development**
87 **plan and provided that no property for a development project shall be**

88 acquired by eminent domain later than ten years from the adoption of the
89 ordinance approving such development plan;

90 (4) In the event any business or residence is to be relocated as a direct
91 result of the implementation of the development plan, a plan has been
92 developed for relocation assistance for businesses and residences;

93 (5) The amount of development financing sought for a project, in
94 addition to any other economic development funding or incentives, does not
95 exceed the projected benefit of the development project to the state and
96 municipality, as determined by the department of economic development; and

97 (6) An economic feasibility analysis including a pro forma financial
98 statement indicating the return on investment that may be expected without
99 public assistance. The financial statement shall detail any assumptions made,
100 a pro forma statement analysis demonstrating the amount of assistance
101 required to bring the return into a range deemed attractive to private
102 investors, which amount shall be equal to the estimated reimbursable project
103 costs.

99.1030. In the event a municipality desires to designate a development
2 area located in whole or in part outside the incorporated boundaries of the
3 municipality and within the boundaries of another municipality, such
4 municipality shall first obtain the permission of the governing body of such
5 other municipality.

99.1033. 1. A municipality which has created an authority pursuant to
2 section 99.1006 may:

3 (1) Approve by ordinance the exercise by the authority of the powers,
4 functions, and duties of the authority under sections 99.1000 to 99.1060; and

5 (2) After adopting an ordinance in accordance with subdivision (1) of
6 this subsection and after receipt of recommendations from the authority in
7 accordance with subsection 3 of this section, by ordinance, designate
8 development areas and adopt the development plans, development projects,
9 designate a development project area for each development project adopted,
10 and adopt development financing for each such development project area. No
11 development plan may be adopted until the development area is designatedNo
12 development project shall be adopted until the development plan is adopted
13 and the development project area for each development project shall be
14 designated at the time of adopting the development project.

15 2. A municipality may authorize an authority created pursuant to
16 section 99.1006 to exercise all powers and perform all functions of a

17 **transportation development district pursuant to sections 238.200 to 238.275,**
18 **RSMo, within a development area.**

19 **3. The municipality or authority shall hold public hearings and provide**
20 **notice pursuant to sections 99.1042 and 99.1045. Within ten days following the**
21 **completion of any such public hearing, the authority shall vote on, and shall**
22 **make recommendation to the governing body of the municipality with regard**
23 **to, any development plan, development projects, designation of a development**
24 **area or amendments thereto which were proposed at such public hearing.**

99.1036. 1. Prior to the adoption of the ordinance designating a
2 **development area, adopting a development plan, or approving a development**
3 **project, the municipality or authority shall fix a time and place for a public**
4 **hearing and notify each taxing district located wholly or partially within the**
5 **boundaries of the proposed development area or development project area**
6 **affected. Such notice shall comply with the provisions of subsection 2 of this**
7 **section. At the public hearing any interested person or affected taxing**
8 **district may file with the municipality or authority written objections to, or**
9 **comments on, and may be heard orally in respect to, any issues regarding the**
10 **plan or issues embodied in the notice. The municipality or authority shall**
11 **hear and consider all protests, objections, comments, and other evidence**
12 **presented at the hearing. The hearing may be continued to another date**
13 **without further notice other than a motion to be entered upon the minutes**
14 **fixing the time and place of the subsequent hearing. Prior to the conclusion**
15 **of the hearing, changes may be made in the development plan, development**
16 **project, development area or development project area, provided that written**
17 **notice of such changes is available at the public hearing. After the public**
18 **hearing but prior to the adoption of an ordinance designating a development**
19 **area, adopting a development plan or approving a development project,**
20 **changes may be made to any such proposed development plan, development**
21 **project, development area, or development project area without a further**
22 **hearing, if such changes do not enlarge the exterior boundaries of the**
23 **development area, and do not substantially affect the general land uses**
24 **established in a development plan or development project, provided that**
25 **notice of such changes shall be given by mail to each affected taxing district**
26 **and by publication in a newspaper of general circulation in the development**
27 **area or development project area, as applicable, not less than ten days prior**
28 **to the adoption of the changes by ordinance. After the adoption of an**
29 **ordinance designating the development area, adopting a development plan,**

30 approving a development project, or designating a development project area,
31 no ordinance shall be adopted altering the exterior boundaries of the
32 development area or a development project area, affecting the general land
33 uses established pursuant to the development plan or the general nature of
34 a development project without holding a public hearing in accordance with
35 this section. One public hearing may be held for the simultaneous
36 consideration of a development area, development plan, development project,
37 or development project area.

38 2. Notice of the public hearing required by section 99.1036 shall be
39 given by publication and mailing. Notice by publication shall be given by
40 publication at least twice, the first publication to be not more than thirty
41 days and the second publication to be not more than ten days prior to the
42 hearing, in a newspaper of general circulation in the proposed development
43 area or development project area, as applicable. Notice by mailing shall be
44 given by depositing such notice in the United States mail by certified mail
45 addressed to the person or persons in whose name the general taxes for the
46 last preceding year were paid on each lot, block, tract, or parcel of land lying
47 within the proposed development area or development project area, as
48 applicable, which is to be subjected to the payment or payments in lieu of
49 taxes and economic activity taxes pursuant to section 99.1042. Such notice
50 shall be mailed not less than ten working days prior to the date set for the
51 public hearing. In the event taxes for the last preceding year were not paid,
52 the notice shall also be sent to the persons last listed on the tax rolls within
53 the preceding three years as the owners of such property.

54 3. The notices issued pursuant to this section shall include the
55 following:

56 (1) The time and place of the public hearing;

57 (2) The general boundaries of the proposed development area or
58 development project area, as applicable, by street location, where possible;

59 (3) A statement that all interested persons shall be given an
60 opportunity to be heard at the public hearing;

61 (4) A description of the development plan and the proposed
62 development projects and a location and time where the entire development
63 plan or development projects proposed may be reviewed by any interested
64 party;

65 (5) An estimate of other net new revenues;

66 (6) A statement that development financing involving tax revenues and

67 payments in lieu of taxes is being sought for the project and an estimate of
68 the amount of local development financing that will be requested, if
69 applicable; and

70 (7) Such other matters as the municipality or authority may deem
71 appropriate.

72 4. Not less than forty-five days prior to the date set for the public
73 hearing, the municipality or authority shall give notice by mail as provided
74 in subsection 2 of this section to all taxing districts with jurisdiction over
75 taxable property in the development area or development project area, as
76 applicable, and in addition to the other requirements pursuant to subsection
77 3 of this section, the notice shall include an invitation to each taxing district
78 to submit comments to the municipality or authority concerning the subject
79 matter of the hearing prior to the date of the hearing.

80 5. A copy of any and all hearing notices required by section 99.1036
81 shall be submitted by the municipality or authority to the director of the
82 department of economic development and the time such notices are mailed
83 or published, as applicable.

99.1039. 1. For the purpose of financing development project costs,
2 obligations may be issued by the municipality, or, at the request of the
3 municipality, by the authority or any other political subdivision authorized
4 to issue bonds, but in no event by the state, to pay or reimburse development
5 project costs. Such obligations, when so issued, shall be retired in the manner
6 provided in the ordinance or resolution authorizing the issuance of such
7 obligations.

8 2. Obligations issued pursuant to sections 99.1000 to 99.1060 may be
9 issued in one or more series bearing interest at such rate or rates as the
10 issuing entity shall determine by ordinance or resolution. Such obligations
11 shall bear such date or dates, be in such denomination, carry such
12 registration privileges, be executed in such manner, be payable in such
13 medium of payment at such place or places, contain such covenants, terms,
14 and conditions, and be subject to redemption as such ordinance or resolution
15 shall provide. Obligations issued pursuant to sections 99.1000 to 99.1060 may
16 be sold at public or private sale at such price as shall be determined by the
17 issuing entity and shall state that obligations issued pursuant to sections
18 99.1000 to 99.1060 are special obligations payable solely from the funds
19 specifically pledged. No referendum approval of the electors shall be required
20 as a condition to the issuance of obligations pursuant to sections 99.1000 to

21 **99.1060.**

22 **3. In the event the obligations contain a recital that they are issued**
23 **pursuant to sections 99.1000 to 99.1060, such recital shall be conclusive**
24 **evidence of their validity and of the regularity of their issuance.**

25 **4. Neither the municipality, the authority, or any other entity issuing**
26 **such obligations, or the members, commissioners, directors, or the officers of**
27 **any such entities nor any person executing any obligation shall be personally**
28 **liable for such obligation by reason of the issuance thereof. The obligations**
29 **issued pursuant to sections 99.1000 to 99.1060 shall not be a general obligation**
30 **of the state, the municipality, or any political subdivision thereof, nor in any**
31 **event shall such obligation be payable out of any funds or properties other**
32 **than those specifically pledged as security for such obligations. The**
33 **obligations shall not constitute indebtedness within the meaning of any**
34 **constitutional, statutory, or charter debt limitation or restriction.**

35 **5. Obligations issued pursuant to sections 99.1000 to 99.1060 may be**
36 **issued to refund, in whole or in part, obligations theretofore issued by such**
37 **entity pursuant to the authority of sections 99.1000 to 99.1060, whether at or**
38 **prior to maturity; provided, however, that the last maturity of the refunding**
39 **obligations shall not be expressed to mature later than the last maturity date**
40 **of the obligations to be refunded.**

41 **6. In the event a municipality or authority issues obligations under**
42 **home rule powers or other legislative authority, the proceeds of which are**
43 **pledged to pay for development project costs, the municipality may retire**
44 **such obligations from funds in the special allocation fund in amounts and in**
45 **such manner as if such obligations had been issued pursuant to the provisions**
46 **of sections 99.1000 to 99.1060.**

47 **7. State supplemental rural development financing shall not be used for**
48 **retiring existing debt or refinancing existing obligations without express**
49 **approval from the director of the department of economic development and**
50 **the commissioner of the office of administration. No approval shall be**
51 **granted unless the application for state supplemental rural development**
52 **financing contains development projects that are new projects and were not**
53 **a part of the development projects for which there is existing debt or**
54 **obligations.**

99.1042. 1. A municipality, after designating a development area,
2 **adopting a development plan, and adopting any development project in**
3 **conformance with the procedures of sections 99.1000 to 99.1060, may adopt**

4 development financing for the development project area selected for any such
5 development project by passing an ordinance. Upon the adoption of the first
6 of any such ordinances, the municipality shall establish, or shall direct the
7 authority to establish, a special allocation fund for the development area.

8 2. Immediately upon the adoption of a resolution or ordinance adopting
9 development financing for a development project area pursuant to subsection
10 1 of this section, the county assessor shall determine the total equalized
11 assessed value of all taxable real property within such development project
12 area by adding together the most recently ascertained equalized assessed
13 value of each taxable lot, block, tract, or parcel of real property within such
14 development project area as of the date of the adoption of such resolution or
15 ordinance and shall provide to the clerk of the municipality written
16 certification of such amount as the total initial equalized assessed value of
17 the taxable real property within such development project area.

18 3. In each of the twenty-five calendar years following the adoption of
19 an ordinance adopting development financing for a development project area
20 pursuant to subsection 1 of this section unless and until development
21 financing for such development project area is terminated by ordinance of the
22 municipality, the ad valorem taxes, and payments in lieu of taxes, if any,
23 arising from the levies upon taxable real property in such development
24 project area by taxing districts at the tax rates determined in the manner
25 provided in section 99.1054 shall be divided as follows:

26 (1) That portion of taxes, penalties, and interest levied upon each
27 taxable lot, block, tract, or parcel of real property in such development
28 project area which is attributable to the initial equalized assessed value of
29 each such taxable lot, block, tract, or parcel of real property in such
30 development project area as certified by the county assessor in accordance
31 with subsection 2 of this section shall be allocated to and, when collected,
32 shall be paid by the collecting authority to the respective affected taxing
33 districts in the manner required by law in the absence of the adoption of
34 development financing;

35 (2) Payments in lieu of taxes attributable to the increase in the current
36 equalized assessed valuation of each taxable lot, block, tract, or parcel of real
37 property in the development project area and any applicable penalty and
38 interest over and above the initial equalized assessed value of each such
39 taxable lot, block, tract, or parcel of real property in such development
40 project area as certified by the county assessor in accordance with subsection

41 **2 of this section shall be allocated to and, when collected, shall be paid to the**
42 **collecting officer of the municipality who shall deposit such payment in lieu**
43 **of taxes into a separate segregated account for payments in lieu of taxes**
44 **within the special fund. Payments in lieu of taxes which are due and owing**
45 **shall constitute a lien against the real property from which such payments in**
46 **lieu of taxes are derived and shall be collected in the same manner as real**
47 **property taxes, including the assessment of penalties and interest where**
48 **applicable. The lien of payments in lieu of taxes may be foreclosed in the**
49 **same manner as the lien of real property taxes. No part of the current**
50 **equalized assessed valuation of each lot, block, tract, or parcel of property in**
51 **any such development project area attributable to any increase above the**
52 **initial equalized assessed value of each such taxable lot, block, tract, or**
53 **parcel of real property in such development project area as certified by the**
54 **county assessor in accordance with subsection 2 of this section shall be used**
55 **in calculating the general state school aid formula provided for in section**
56 **163.031, RSMo, until development financing for such development project area**
57 **expires or is terminated in accordance with sections 99.1000 to 99.1060;**

58 **(3) For purposes of this section, "levies upon taxable real property in**
59 **such development area by taxing districts" shall not include the blind pension**
60 **fund tax levied under the authority of section 38(b), article III, of the Missouri**
61 **Constitution, the merchants' and manufacturers' inventory replacement tax**
62 **levied under the authority of subsection 2 of section 6, article X of the**
63 **Missouri Constitution, the desegregation sales tax, or the conservation taxes.**

64 **4. In each of the twenty-five calendar years following the adoption of**
65 **an ordinance or resolution adopting development financing for a development**
66 **project area pursuant to subsection 1 of this section unless and until**
67 **development financing for such development project area is terminated in**
68 **accordance with sections 99.1000 to 99.1060, fifty percent of the economic**
69 **activity taxes from such development project area shall be allocated to, and**
70 **paid by the collecting officer of any such economic activity tax to, the**
71 **treasurer or other designated financial officer of the municipality, who shall**
72 **deposit such funds in a separate segregated account for economic activity**
73 **taxes within the special allocation fund.**

74 **5. In no event shall a municipality collect and deposit economic**
75 **activity taxes in the special allocation fund unless the developing project has**
76 **been approved for state supplemental rural development financing pursuant**
77 **to section 99.1045.**

99.1045. 1. A municipality shall submit an application to the Missouri agricultural and small business development authority created pursuant to section 348.020, RSMo, for approval of the disbursement of the project costs of one or more development projects from the state supplemental rural development fund. In no event shall any approval authorize a disbursement of one or more development projects from the state supplemental rural development fund which exceeds the allowable amount of other net new revenues derived from the development area. An application submitted to the Missouri agricultural and small business development authority shall contain the following, in addition to the items set forth in section 99.1027:

(1) An estimate that one hundred percent of the payments in lieu of taxes and economic activity taxes deposited to the special allocation fund must and will be used to pay development project costs or obligations issued to finance development project costs to achieve the objectives of the development plan. Contributions to the development project from any private not-for-profit organization or local contributions from tax abatement or other sources may be substituted on a dollar for dollar basis for the local match of one hundred percent of payments in lieu of taxes and economic activity taxes from the fund;

(2) Identification of the existing businesses located within the development project area and the development area;

(3) The aggregate baseline year amount of state sales tax revenues and the aggregate baseline year amount of state income tax withheld on behalf of existing employees, reported by existing businesses within the development project area. Provisions of section 32.057, RSMo, notwithstanding, municipalities will provide this information to the department of revenue for verification. The department of revenue will verify the information provided by the municipalities within forty-five days of receiving a request for such verification from a municipality;

(4) An estimate of the state sales tax increment and state income tax increment within the development project area after redevelopment;

(5) An affidavit that is signed by the developer or developers attesting that the provision of subdivision (2) of subsection 3 of section 99.1027 has been met and specifying that the development area would not be reasonably anticipated to be developed without the appropriation of the other net new revenues;

(6) The amounts and types of other net new revenues sought by the

38 applicant to be disbursed from state supplemental rural development fund
39 over the term of the development plan;

40 (7) The methodologies and underlying assumptions used in determining
41 the estimate of the state sales tax increment and the state income tax
42 increment;

43 (8) Any other information reasonably requested by the Missouri
44 agricultural and small business development authority.

45 2. The Missouri agricultural and small business development authority
46 shall make all reasonable efforts to process applications within sixty days of
47 receipt of the application.

48 3. The Missouri agricultural and small business development authority
49 shall make a determination regarding the application for a disbursement from
50 the state supplemental rural development fund and shall forward such
51 determination to the director of the department of economic development. In
52 no event shall the amount of disbursements from the state supplemental rural
53 development fund approved for a project, in addition to any other economic
54 development funding or incentives, exceed the projected state benefit of the
55 development project, as determined by the department of economic
56 development. Upon approval of state supplemental rural development
57 financing, a certificate of approval shall be issued by the department of
58 economic development containing the terms and limitations of the
59 disbursement.

60 4. At no time shall the annual amount of other net new revenues
61 approved for disbursements from the state supplemental rural development
62 fund exceed twelve million dollars.

63 5. Development projects receiving disbursements from the state
64 supplemental rural development fund shall be limited to receiving such
65 disbursements for fifteen years, unless specific approval for a longer term is
66 given by the director of the department of economic development, as set forth
67 in the certificate of approval; except that, in no case shall the duration exceed
68 twenty-five years. The approved term notwithstanding, state supplemental
69 rural development financing shall terminate when development financing for
70 a development project is terminated by a municipality.

71 6. The municipality shall deposit payments received from the state
72 supplemental rural development fund in a separate segregated account for
73 other net new revenues within the special allocation fund.

74 7. Development project costs may include, at the prerogative of the

75 state, the portion of salaries and expenses of the department of economic
76 development, the Missouri agricultural and small business development
77 authority, and the department of revenue reasonably allocable to each
78 development project approved for disbursements from the state supplemental
79 rural development fund for the ongoing administrative functions associated
80 with such development project. Such amounts shall be deposited into the
81 state supplemental rural development fund created under section 99.1048.

82 8. A development project approved for state supplemental rural
83 development financing may not thereafter elect to receive tax increment
84 financing pursuant to the real property tax increment allocation
85 redevelopment act, sections 99.800 to 99.865, and continue to receive state
86 supplemental rural development financing pursuant to sections 99.1000 to
87 99.1060.

88 9. The Missouri agricultural and small business development authority
89 shall promulgate rules and regulations and publish forms to implement the
90 provisions of this section and section 99.1048.

91 10. Any rule or portion of a rule, as that term is defined in section
92 536.010, RSMo, that is created under the authority delegated in this section
93 and section 99.1048 shall become effective only if it complies with and is
94 subject to all of the provisions of chapter 536, RSMo, and, if applicable,
95 section 536.028, RSMo. This section, section 99.1048, and chapter 536, RSMo,
96 are nonseverable and if any of the powers vested with the general assembly
97 pursuant to chapter 536, RSMo, to review, to delay the effective date, or to
98 disapprove and annul a rule are subsequently held unconstitutional, then the
99 grant of rulemaking authority and any rule proposed or adopted after August
100 28, 2003, shall be invalid and void.

99.1048. 1. There is hereby established within the state treasury a
2 special fund to be known as the "State Supplemental Rural Development
3 Fund", to be administered by the department of economic development. Any
4 unexpended balance and any interest in the fund at the end of the biennium
5 shall be exempt from the provisions of section 33.080, RSMo, relating to the
6 transfer of unexpended balances to the general revenue fund. The fund shall
7 consist of money:

8 (1) The first twelve million dollars of other net new revenues generated
9 by the development projects;

10 (2) Received from fees charged pursuant to subsection 7 of section
11 99.1045;

12 **(3) Received from costs charged pursuant to subsection 8 of section**
13 **99.1045; and**

14 **(4) From any gifts, contributions, grants, or bequests received from**
15 **federal, private, or other sources.**

16 **2. Notwithstanding the provisions of section 144.700, RSMo, to the**
17 **contrary, the department of revenue shall submit the first twelve million of**
18 **other net new revenues generated by the development projects to the**
19 **treasurer for deposit in the state supplemental rural development fund.**

20 **3. The department of economic development shall annually disburse**
21 **funds from the state supplemental rural development fund in amounts**
22 **determined pursuant to the certificates of approval for projects, providing**
23 **that the amounts of other net new revenues generated from the development**
24 **area have been verified and all of the conditions of sections 99.1000 to 99.1060**
25 **are met. If the revenues appropriated into the state supplemental rural**
26 **development fund are not sufficient to equal the amounts determined to be**
27 **disbursed pursuant to such certificates of approval, the department of**
28 **economic development shall disburse the revenues on a pro rata basis to all**
29 **such projects and other costs approved pursuant to section 5 of this section.**

30 **4. In no event shall the amounts distributed to a project from the state**
31 **supplemental rural development fund exceed the lesser of the amount of the**
32 **certificates of approval for projects or the actual other net new revenues**
33 **generated by the projects.**

34 **5. The department of economic development shall not disburse any**
35 **moneys from the state supplemental rural development fund for any project**
36 **which has not complied with the annual reporting requirements of section**
37 **99.1060.**

38 **6. Money in the state supplemental rural development fund may be**
39 **spent for the reasonable and necessary costs associated with the**
40 **administration of the program authorized under sections 99.1000 to 99.1060.**

41 **7. No municipality shall obligate or commit the expenditure of**
42 **disbursements received from the state supplemental rural development fund**
43 **prior to receiving a certificate of approval for the development project**
44 **generating other net new revenues.**

45 **8. Taxpayers in any development area who are required to remit sales**
46 **taxes pursuant to chapter 144, RSMo, or income tax withholdings pursuant to**
47 **chapter 143, RSMo, shall provide additional information to the department of**
48 **revenue in a form prescribed by the department by rule. Such information**

49 shall include but shall not be limited to information upon which other net
50 new revenues can be calculated, and shall include the number of new jobs, the
51 gross payroll for such jobs, and sales tax generated in the development area
52 by such taxpayer in the baseline year and during the time period related to
53 the withholding or sales tax remittance.

54 9. Any rule or portion of a rule, as that term is defined in section
55 536.010, RSMo, that is created under the authority delegated in this section
56 shall become effective only if it complies with and is subject to all of the
57 provisions of chapter 536, RSMo, and, if applicable, section 536.028,
58 RSMo. This section and chapter 536, RSMo, are nonseverable and if any of
59 the powers vested with the general assembly pursuant to chapter 536, RSMo,
60 to review, to delay the effective date, or to disapprove and annul a rule are
61 subsequently held unconstitutional, then the grant of rulemaking authority
62 and any rule proposed or adopted after August 28, 2003, shall be invalid and
63 void.

99.1051. 1. When all development project costs and all obligations
2 issued to finance development project costs have been paid in full, the
3 municipality shall adopt an ordinance terminating development financing for
4 all development project areas. Immediately upon the adoption of such
5 ordinance, all payments in lieu of taxes, all economic activity taxes, and other
6 net new revenues then remaining in the special allocation fund shall be
7 deemed to be surplus funds; and thereafter, the rates of the taxing districts
8 shall be extended and taxes levied, collected, and distributed in the manner
9 applicable in the absence of the adoption of development financing. Surplus
10 payments in lieu of taxes shall be paid to the county collector who shall
11 immediately thereafter pay such funds to the taxing districts in the
12 development area selected in the same manner and proportion as the most
13 recent distribution by the collector to the affected taxing districts of real
14 property taxes from real property in the development area. Surplus economic
15 activity taxes shall be paid to the taxing districts in the development area in
16 proportion to the then current levy rates of such taxing districts that are
17 attributable to economic activity taxes. Surplus other net new revenues shall
18 be paid to the state. Any other funds remaining in the special allocation fund
19 following the adoption of an ordinance terminating development financing in
20 accordance with this section shall be deposited to the general fund of the
21 municipality.

22 2. Upon the payment of all development project costs, retirement of

23 obligations, and the distribution of any surplus funds pursuant to this section,
24 the municipality shall adopt an ordinance dissolving the special allocation
25 fund and terminating the designation of the development area as a
26 development area.

27 **3. Nothing in sections 99.1000 to 99.1060 shall be construed as relieving**
28 **property in such areas from paying a uniform rate of taxes, as required by**
29 **section 3, article X of the Missouri Constitution.**

99.1054. In each of the twenty-five calendar years following the
2 **adoption of an ordinance adopting development financing for a development**
3 **project area, unless and until development financing for such development**
4 **project area is terminated by ordinance of the municipality, then, in respect**
5 **to every taxing district containing such development project area, the county**
6 **clerk, or any other official required by law to ascertain the amount of the**
7 **equalized assessed value of all taxable property within such development**
8 **project area for the purpose of computing any debt service levies to be**
9 **extended upon taxable property within such development project area, shall**
10 **in every year that development financing is in effect ascertain the amount of**
11 **value of taxable property in such development project area by including in**
12 **such amount the certified total initial equalized assessed value of all taxable**
13 **real property in such development project area in lieu of the equalized**
14 **assessed value of all taxable real property in such development project**
15 **area. For the purpose of measuring the size of payments in lieu of taxes**
16 **under sections 99.1000 to 99.1060, all tax levies shall then be extended to the**
17 **current equalized assessed value of all property in the development project**
18 **area in the same manner as the tax rate percentage is extended to all other**
19 **taxable property in the taxing district.**

99.1057. Beginning in 2008, and every five years thereafter, a joint
2 **committee of the general assembly, comprised of five members appointed by**
3 **the speaker of the house of representatives and five members appointed by**
4 **the president pro tempore of the senate, shall review sections 99.1000 to**
5 **99.1060. A report based on such review, with any recommended legislative**
6 **changes, shall be submitted to the speaker of the house of representatives and**
7 **the president pro tempore of the senate no later than February first following**
8 **the year in which the review is conducted.**

99.1060. 1. By the last day of February each year, the municipality or
2 **authority shall report to the director of the department of economic**
3 **development the name, address, phone number, and primary line of business**

4 of any business which relocates to the development area.

5 2. Each year the governing body of the municipality, or its designee,
6 shall prepare a report concerning the status of the development plan, the
7 development area, and the included development projects, and shall submit
8 a copy of such report to the director of the department of economic
9 development. The report shall include the following:

10 (1) The name, street and mailing addresses, phone number, and chief
11 officer of the granting body;

12 (2) The name, street and mailing addresses, phone number, and chief
13 officer of any business benefitting from public expenditures in such
14 development plans and projects;

15 (3) The amount and source of revenue in the special allocation fund;

16 (4) The amount and purpose of expenditures from the special allocation
17 fund;

18 (5) The amount of any pledge of revenues, including principal and
19 interest on any outstanding bonded indebtedness;

20 (6) The original assessed value of the development area;

21 (7) The assessed valuation added to the development area;

22 (8) Payments made in lieu of taxes received and expended;

23 (9) The economic activity taxes generated within the development area
24 in the baseline year;

25 (10) The economic activity taxes generated within the development
26 area after the baseline year;

27 (11) Reports on contracts made incident to the implementation and
28 furtherance of a development area, the development plan, and the included
29 development projects;

30 (12) A copy of the development plan;

31 (13) The cost of any property acquired, disposed of, rehabilitated,
32 reconstructed, repaired, or remodeled;

33 (14) The number of parcels acquired by or through initiation of
34 eminent domain proceedings;

35 (15) For municipalities with more than four hundred thousand
36 inhabitants, the number of development projects developed in connection
37 with community development corporations and the amount of funds
38 generated pursuant to section 99.1042 which are expended in connection with
39 such project;

40 (16) A summary of the number of net new jobs created, broken down

41 **by full-time, part-time, and temporary positions, and by wage groups;**

42 **(17) The comparison of the total employment in this state by the any**
43 **business benefitting from public expenditures in the development area**
44 **including any corporate parent on the date of the application and the date of**
45 **the report, broken down by full-time, part-time, and temporary positions;**

46 **(18) A statement as to whether public expenditures on any development**
47 **project during the previous fiscal year has reduced employment at any other**
48 **site controlled by any business benefitting from public expenditures in the**
49 **development area or its corporate parent, within or without of this state as**
50 **a result of automation, merger, acquisition, corporate restructuring, or other**
51 **business activity;**

52 **(19) A summary of the other community and economic benefits**
53 **resulting from the project, consistent with those identified in the application;**

54 **(20) A signed certification by the chief officer of the authority or**
55 **municipality as to the accuracy of the progress report; and**

56 **(21) Any additional information the department of economic**
57 **development deems necessary.**

58 **3. The department shall compile and publish all data from the progress**
59 **reports in both written and electronic form, including the department's**
60 **Internet website.**

61 **4. The department shall have access at all reasonable times to the**
62 **project site and the records of any authority or municipality in order to**
63 **monitor the development project or projects and to prepare progress reports.**

64 **5. Data contained in the report mandated pursuant to the provisions**
65 **of subsection 1 of this section and any information regarding amounts**
66 **disbursed to municipalities pursuant to the provisions of sections 99.1042 and**
67 **99.1045 shall be deemed a public record, as defined in section 610.010, RSMo.**

68 **6. Any municipality failing to file an annual report as required**
69 **pursuant to this section shall be ineligible to receive any disbursements from**
70 **the state supplemental rural development fund pursuant to section 99.1048.**

71 **7. The Missouri agricultural and small business development authority**
72 **and the department of economic development shall annually review the**
73 **reports provided pursuant to this section and shall have the authority to**
74 **modify the certificate of approval for state supplemental rural development**
75 **financing approved for a project pursuant to section 99.1045.**

76 **8. The director of the department of economic development shall**
77 **submit a report to the governor, the speaker of the house of representatives,**

78 **and the president pro tempore of the senate no later than April thirtieth of**
79 **each year. The report shall contain a summary of all information received by**
80 **the director of economic development pursuant to subsection 2 of this section.**

81 **9. An annual statement showing the payments made in lieu of taxes**
82 **received and expended in that year, the status of the development area, the**
83 **development plan, and the development projects in the development plan, the**
84 **amount of outstanding obligations, and any additional information that the**
85 **municipality deems necessary shall be published in a newspaper of general**
86 **circulation in the municipality.**

87 **10. Five years after the establishment of the development area and the**
88 **development plan and every five years thereafter the governing body of the**
89 **municipality or authority shall hold a public hearing regarding the**
90 **development area and the development plan and the development projects**
91 **adopted pursuant to sections 99.1000 to 99.1060. The purpose of the hearing**
92 **shall be to determine if the development area, development plan, and the**
93 **included development projects are making satisfactory progress under the**
94 **proposed time schedule contained within the approved development plan for**
95 **completion of such development projects. Notice of such public hearing shall**
96 **be given in a newspaper of general circulation in the area served by the**
97 **municipality or authority once each week for four weeks immediately prior**
98 **to the hearing.**

135.207. 1. (1) Any city with a population of at least three hundred fifty
2 thousand inhabitants which is located in more than one county and any city not within
3 a county, which includes an existing state designated enterprise zone within the
4 corporate limits of the city may each, upon approval of the local governing authority of
5 the city and the director of the department of economic development, designate up to
6 three satellite zones within its corporate limits. A prerequisite for the designation of a
7 satellite zone shall be the approval by the director of a plan submitted by the local
8 governing authority of the city describing how the satellite zone corresponds to the city's
9 overall enterprise zone strategy.

10 (2) Any Missouri community classified as a village whose borders lie adjacent to
11 a city with a population in excess of three hundred fifty thousand inhabitants as
12 described in subdivision (1) of this subsection, and which has within the corporate limits
13 of the village a factory, mining operation, office, mill, plant or warehouse which has at
14 least three thousand employees and has an investment in plant, machinery and
15 equipment of at least two hundred million dollars may, upon securing approval of the

16 director and the local governing authorities of the village and the adjacent city which
17 contains an existing state designated enterprise zone, designate one satellite zone to be
18 located within the corporate limits of the village, such zone to be in addition to the six
19 authorized in subdivision (1) of this subsection.

20 (3) Any geographical area partially contained within any city not within a county
21 and partially contained within any county of the first classification with a charter form
22 of government with a population of nine hundred thousand or more inhabitants, which
23 area is comprised of a total population of at least four thousand inhabitants but not more
24 than seventy-two thousand inhabitants, and which area consists of at least one fourth
25 class city, and has within its boundaries a military reserve facility and a utility pumping
26 station having a capacity of ten million cubic feet, may, upon securing approval of the
27 director and the appropriate local governing authorities as provided for in section
28 135.210, be designated as a satellite zone, such zone to be in addition to the six
29 authorized in subdivision (1) of this subsection.

30 **(4) In addition to all other satellite zones authorized in this section,**
31 **any home rule city with more than seventy-three thousand but less than**
32 **seventy-five thousand inhabitants, which includes an existing state**
33 **designated enterprise zone within the corporate limits of the city, may, upon**
34 **approval of the local governing authority of the city and director of the**
35 **department of economic development, designate a satellite zone within its**
36 **corporate limits. A prerequisite for the designation of a satellite zone**
37 **pursuant to this subdivision shall be the approval by the director of the**
38 **department of economic development of a plan submitted by the local**
39 **governing authority of such city describing how the satellite zone**
40 **corresponds to the city's overall enterprise zone strategy.**

41 2. For satellite zones designated pursuant to the provisions of subdivisions (1)
42 and (3) of subsection 1 of this section, the satellite zones, in conjunction with the existing
43 state-designated enterprise zone shall meet the following criteria:

44 (1) The area is one of pervasive poverty, unemployment, and general distress, or
45 one in which a large number of jobs have been lost, a large number of employers have
46 closed, or in which a large percentage of available production capacity is idle. For the
47 purpose of this subdivision, "large number of jobs" means one percent or more of the
48 area's population according to the most recent decennial census, and "large number of
49 employers" means over five;

50 (2) At least fifty percent of the residents living in the area have incomes below
51 eighty percent of the median income of all residents within the state of Missouri

52 according to the last decennial census or other appropriate source as approved by the
53 director;

54 (3) The resident population of the existing state designated enterprise zone and
55 its satellite zones must be at least four thousand but not more than seventy-two
56 thousand at the time of designation;

57 (4) The level of unemployment of persons, according to the most recent data
58 available from the division of employment security or from the United States Bureau of
59 Census and approved by the director, within the area exceeds one and one-half times the
60 average rate of unemployment for the state of Missouri over the previous twelve months,
61 or the percentage of area residents employed on a full-time basis is less than sixty
62 percent of the statewide percentage of residents employed on a full-time basis.

63 3. A qualified business located within a satellite zone shall be subject to the same
64 eligibility criteria and can be eligible to receive the same benefits as a qualified facility
65 in sections 135.200 to 135.255.