

SECOND REGULAR SESSION

HOUSE BILL NO. 2052

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE ROORDA.

Read 1st time March 28, 2006 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

5642L.02I

AN ACT

To repeal section 67.457, RSMo, and to enact in lieu thereof one new section relating to neighborhood improvement districts.

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

Section A. Section 67.457, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 67.457, to read as follows:

67.457. 1. To establish a neighborhood improvement district, the governing body of any city or county shall comply with either of the procedures described in subsection 2 or 3 of this section.

2. The governing body of any city or county proposing to create a neighborhood improvement district may by resolution submit the question of creating such district to all qualified voters residing within such district at a general or special election called for that purpose. Such resolution shall set forth the project name for the proposed improvement, the general nature of the proposed improvement, the estimated cost of such improvement, the boundaries of the proposed neighborhood improvement district to be assessed, and the proposed method or methods of assessment of real property within the district, including any provision for the annual assessment of maintenance costs of the improvement in each year during the term of the bonds issued for the original improvement and after such bonds are paid in full. The governing body of the city or county may create a neighborhood improvement district when the question of creating such district has been approved by the vote of the percentage of electors within such district voting thereon that is equal to the percentage of voter approval required for

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

16 the issuance of general obligation bonds of such city or county under article VI, section 26 of the
17 constitution of this state. The notice of election containing the question of creating a
18 neighborhood improvement district shall contain the project name for the proposed
19 improvement, the general nature of the proposed improvement, the estimated cost of such
20 improvement, the boundaries of the proposed neighborhood improvement district to be assessed,
21 the proposed method or methods of assessment of real property within the district, including any
22 provision for the annual assessment of maintenance costs of the improvement in each year after
23 the bonds issued for the original improvement are paid in full, and a statement that the final cost
24 of such improvement assessed against real property within the district and the amount of general
25 obligation bonds issued therefor shall not exceed the estimated cost of such improvement, as
26 stated in such notice, by more than twenty-five percent, and that the annual assessment for
27 maintenance costs of the improvements shall not exceed the estimated annual maintenance cost,
28 as stated in such notice, by more than twenty-five percent. The ballot upon which the question
29 of creating a neighborhood improvement district is submitted to the qualified voters residing
30 within the proposed district shall contain a question in substantially the following form:

31 Shall (name of city or county) be authorized to create a neighborhood
32 improvement district proposed for the (project name for the proposed improvement) and
33 incur indebtedness and issue general obligation bonds to pay for all or part of the cost of public
34 improvements within such district, the cost of all indebtedness so incurred to be assessed by the
35 governing body of the (city or county) on the real property benefited by such
36 improvements for a period of years, and, if included in the resolution, an assessment in each
37 year thereafter with the proceeds thereof used solely for maintenance of the improvement?

38 3. As an alternative to the procedure described in subsection 2 of this section, the
39 governing body of a city or county may create a neighborhood improvement district when a
40 proper petition has been signed by the owners of record of at least two-thirds by area of all real
41 property located within such proposed district. **Each owner of record of real property located**
42 **in the proposed district is allowed one signature. Any person, corporation, or limited**
43 **liability partnership owning more than one parcel of land located in such proposed district**
44 **shall be allowed only one signature on such petition.** The petition, in order to become
45 effective, shall be filed with the city clerk or county clerk. A proper petition for the creation of
46 a neighborhood improvement district shall set forth the project name for the proposed
47 improvement, the general nature of the proposed improvement, the estimated cost of such
48 improvement, the boundaries of the proposed neighborhood improvement district to be assessed,
49 the proposed method or methods of assessment of real property within the district, including any
50 provision for the annual assessment of maintenance costs of the improvement in each year during
51 the term of the bonds issued for the original improvement and after such bonds are paid in full,

52 a notice that the names of the signers may not be withdrawn later than seven days after the
53 petition is filed with the city clerk or county clerk, and a notice that the final cost of such
54 improvement assessed against real property within the district and the amount of general
55 obligation bonds issued therefor shall not exceed the estimated cost of such improvement, as
56 stated in such petition, by more than twenty-five percent, and that the annual assessment for
57 maintenance costs of the improvements shall not exceed the estimated annual maintenance cost,
58 as stated in such petition, by more than twenty-five percent. **Any neighborhood improvement**
59 **district in existence prior to August 28, 2006, where two-thirds of the property located in**
60 **such district was owned by a single person, corporation, or limited liability partnership**
61 **shall be nullified. Any remaining indebtedness resulting from the issuance of bonds to**
62 **fund the improvements within the neighborhood improvement district shall revert to the**
63 **governing body of the city or county.**

64 4. Upon receiving the requisite voter approval at an election or upon the filing of a
65 proper petition with the city clerk or county clerk, the governing body may by resolution or
66 ordinance determine the advisability of the improvement and may order that the district be
67 established and that preliminary plans and specifications for the improvement be made. Such
68 resolution or ordinance shall state and make findings as to the project name for the proposed
69 improvement, the nature of the improvement, the estimated cost of such improvement, the
70 boundaries of the neighborhood improvement district to be assessed, the proposed method or
71 methods of assessment of real property within the district, including any provision for the annual
72 assessment of maintenance costs of the improvement in each year after the bonds issued for the
73 original improvement are paid in full, and shall also state that the final cost of such improvement
74 assessed against the real property within the neighborhood improvement district and the amount
75 of general obligation bonds issued therefor shall not, without a new election or petition, exceed
76 the estimated cost of such improvement by more than twenty-five percent.

77 5. The boundaries of the proposed district shall be described by metes and bounds,
78 streets or other sufficiently specific description. The area of the neighborhood improvement
79 district finally determined by the governing body of the city or county to be assessed may be less
80 than, but shall not exceed, the total area comprising such district.

81 6. In any neighborhood improvement district organized prior to August 28, 1994, an
82 assessment may be levied and collected after the original period approved for assessment of
83 property within the district has expired, with the proceeds thereof used solely for maintenance
84 of the improvement, if the residents of the neighborhood improvement district either vote to
85 assess real property within the district for the maintenance costs in the manner prescribed in
86 subsection 2 of this section or if the owners of two-thirds of the area of all real property located

87 within the district sign a petition for such purpose in the same manner as prescribed in subsection
88 3 of this section.

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