#### FIRST REGULAR SESSION

### HOUSE COMMITTEE SUBSTITUTE FOR

# **HOUSE BILL NO. 795**

## 94TH GENERAL ASSEMBLY

Reported from the Special Committee on Job Creation and Economic Development February 28, 2007 with recommendation that House Committee Substitute for House Bill No. 795 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(21)(f).

D. ADAM CRUMBLISS, Chief Clerk

1464L.04C

### **AN ACT**

To repeal sections 67.2500, 67.2510, 89.010, 89.400, and 94.837, RSMo, and section 67.2505 as enacted by conference committee substitute for senate substitute for senate committee substitute for house bill nos. 795, 972, 1128 & 1161 merged with house substitute for senate committee substitute for senate bill no. 1155, ninety-second general assembly, second regular session, and section 67.2505, as enacted by senate substitute for senate committee substitute for house committee substitute for house bill no. 833 merged with house committee substitute for senate substitute for senate bill no. 732, ninety-second general assembly, second regular session, and to enact in lieu thereof six new sections relating to local public improvements.

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

Section A. Sections 67.2500, 67.2510, 89.010, 89.400, and 94.837, RSMo, and section

- 2 67.2505 as enacted by conference committee substitute for senate substitute for senate committee
- 3 substitute for house committee substitute for house bill nos. 795, 972, 1128 & 1161 merged with
- 4 house substitute for senate committee substitute for senate bill no. 1155, ninety-second general
- 5 assembly, second regular session, and section 67.2505, as enacted by senate substitute for senate
- 6 committee substitute for house committee substitute for house bill no. 833 merged with house
- 7 committee substitute for senate substitute for senate bill no. 732, ninety-second general
- 8 assembly, second regular session, are repealed and six new sections enacted in lieu thereof, to
- 9 be known as sections 67.2500, 67.2505, 67.2510, 89.010, 89.400, and 94.837, to read as follows:

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.

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- 67.2500. 1. A theater, cultural arts, and entertainment district may be established in the manner provided in section 67.2505 by the governing body of any county, city, town, or village that has adopted transect-based zoning under chapter 89, RSMo, any county described in this subsection, or any city, town, or village that is within [a first class county with a charter form of government with a population over two hundred fifty thousand that adjoins a first class county with a charter form of government with a population over nine hundred thousand, or that is within] such counties:
  - (1) Any county with a charter form of government and with more than two hundred fifty thousand but less than three hundred fifty thousand inhabitants[, may establish a theater, cultural arts, and entertainment district in the manner provided in section 67.2505];
  - (2) Any county of the first classification with more than ninety-three thousand eight hundred but fewer than ninety-three thousand nine hundred inhabitants;
  - (3) Any county of the first classification with more than one hundred eighty-four thousand but fewer than one hundred eighty-eight thousand inhabitants;
  - (4) Any county with a charter form of government and with more than six hundred thousand but fewer than seven hundred thousand inhabitants;
  - (5) Any county of the first classification with more than one hundred thirty-five thousand four hundred but fewer than one hundred thirty-five thousand five hundred inhabitants;
  - (6) Any county of the first classification with more than one hundred four thousand six hundred but fewer than one hundred four thousand seven hundred inhabitants.
  - 2. Sections 67.2500 to 67.2530 shall be known as the "Theater, Cultural Arts, and Entertainment District Act".
    - 3. As used in sections 67.2500 to 67.2530, the following terms mean:
- 25 (1) "District", a theater, cultural arts, and entertainment district organized under this section;
  - (2) "Qualified electors", "qualified voters", or "voters", registered voters residing within the district or subdistrict, or proposed district or subdistrict, who have registered to vote pursuant to chapter 115, RSMo, or, if there are no persons eligible to be registered voters residing in the district or subdistrict, proposed district or subdistrict, property owners, including corporations and other entities, that are owners of real property;
- 32 (3) "Registered voters", persons qualified and registered to vote pursuant to chapter 115, 33 RSMo; and
- 34 (4) "Subdistrict", a subdivision of a district, but not a separate political subdivision, 35 created for the purposes specified in subsection 5 of section 67.2505.

- 67.2505. 1. A district may be created to fund, promote, and provide educational, civic, musical, theatrical, cultural, concerts, lecture series, and related or similar entertainment events or activities, and to fund, promote, plan, design, construct, improve, maintain, and operate public improvements, **infrastructure**, transportation projects, and related facilities in the district.
  - 2. A district is a political subdivision of the state.
- 3. The name of a district shall consist of a name chosen by the original petitioners, preceding the words "theater, cultural arts, and entertainment district".
  - 4. The district shall include a minimum of [fifty] **twenty-five** contiguous acres.
  - 5. Subdistricts shall be formed for the purpose of voting upon proposals for the creation of the district or subsequent proposed subdistrict, voting upon the question of imposing a proposed sales tax, and for representation on the board of directors, and for no other purpose.
  - 6. Whenever the creation of a district is desired, one or more registered voters from each subdistrict of the proposed district, or one or more property owners who collectively own one or more parcels of real estate comprising at least a majority of the land situated in the proposed subdistricts within the proposed district, may file a petition requesting the creation of a district with the governing body of the city, town, or village within which the proposed district is to be established. The petition shall contain the following information:
  - (1) The name, address, and phone number of each petitioner and the location of the real property owned by the petitioner;
    - (2) The name of the proposed district;
  - (3) A legal description of the proposed district, including a map illustrating the district boundaries, which shall be contiguous, and the division of the district into at least five, but not more than fifteen, subdistricts that shall contain, or are projected to contain upon full development of the subdistricts, approximately equal populations;
  - (4) A statement indicating the number of directors to serve on the board, which shall be not less than five or more than fifteen;
    - (5) A request that the district be established;
    - (6) A general description of the activities that are planned for the district;
  - (7) A proposal for a sales tax to fund the district initially, pursuant to the authority granted in sections 67.2500 to 67.2530, together with a request that the imposition of the sales tax be submitted to the qualified voters within the district;
  - (8) A statement that the proposed district shall not be an undue burden on any owner of property within the district and is not unjust or unreasonable;
- 34 (9) A request that the question of the establishment of the district be submitted to the 35 qualified voters of the district;

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- 36 (10) A signed statement that the petitioners are authorized to submit the petition to the governing body; and
  - (11) Any other items the petitioners deem appropriate.
- 7. Upon the filing of a petition pursuant to this section, the governing body of any city, town, or village described in this section [may] **shall** pass a resolution containing the following information:
  - (1) A description of the boundaries of the proposed district and each subdistrict;
- 43 (2) The time and place of a hearing to be held to consider establishment of the proposed district;
  - (3) The time frame and manner for the filing of protests;
- 46 (4) The proposed sales tax rate to be voted upon within the subdistricts of the proposed district;
  - (5) The proposed uses for the revenue to be generated by the new sales tax; and
  - (6) Such other matters as the governing body may deem appropriate.
  - 8. Prior to the governing body certifying the question of the district's creation and imposing a sales tax for approval by the qualified electors, a hearing shall be held as provided by this subsection. The governing body of the municipality approving a resolution as set forth in subsection 7 of this section shall:
  - (1) Publish notice of the hearing, which shall include the information contained in the resolution cited in subsection 7 of this section, on two separate occasions in at least one newspaper of general circulation in the county where the proposed district is located, with the first publication to occur not more than thirty days before the hearing, and the second publication to occur not more than fifteen days or less than ten days before the hearing;
  - (2) Hear all protests and receive evidence for or against the establishment of the proposed district; and
    - (3) Consider all protests, which determinations shall be final.

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63 The costs of printing and publication of the notice shall be paid by the po

The costs of printing and publication of the notice shall be paid by the petitioners. If the district is organized pursuant to sections 67.2500 to 67.2530, the petitioners may be reimbursed for such costs out of the revenues received by the district.

9. Following the hearing, the governing body of any city, town, or village within which the proposed district will be located may order an election on the questions of the district creation and sales tax funding for voter approval and certify the questions to the municipal clerk. The election order shall include the date on which the ballots will be mailed to qualified electors, which shall be not sooner than the eighth Tuesday from the issuance of the order. The election regarding the incorporation of the district and the imposing of the sales tax shall follow the

procedure set forth in section 67.2520, and shall be held pursuant to the order and certification by the governing body. Only those subdistricts approving the question of creating the district and imposing the sales tax shall become part of the district.

- 10. If the results of the election conducted in accordance with section 67.2520 show that a majority of the votes cast were in favor of organizing the district and imposing the sales tax, the governing body may establish the proposed district in those subdistricts approving the question of creating the district and imposing the sales tax by adopting an ordinance to that effect. The ordinance establishing the district shall contain the following:
  - (1) The description of the boundaries of the district and each subdistrict;
- 81 (2) A statement that a theater, cultural arts, and entertainment district has been 82 established;
  - (3) A declaration that the district is a political subdivision of the state;
  - (4) The name of the district;
  - (5) The date on which the sales tax election in the subdistricts was held, and the result of the election;
    - (6) The uses for any revenue generated by a sales tax imposed pursuant to this section;
  - (7) A certification to the newly created district of the election results, including the election concerning the sales tax; and
    - (8) Such other matters as the governing body deems appropriate.
  - 11. Any subdistrict that does not approve the creation of the district and imposing the sales tax shall not be a part of the district and the sales tax shall not be imposed until after the district board of directors has submitted another proposal for the inclusion of the area into the district and such proposal and the sales tax proposal are approved by a majority of the qualified voters in the subdistrict voting thereon. Such subsequent elections shall be conducted in accordance with section 67.2520; provided, however, that the district board of directors may place the question of the inclusion of a subdistrict within a district and the question of imposing a sales tax before the voters of a proposed subdistrict, and the municipal clerk, or circuit clerk if the district is formed by the circuit court, shall conduct the election. In subsequent elections, the election judges shall certify the election results to the district board of directors.
- 67.2510. As a complete alternative to the procedure establishing a district set forth in section 67.2505, a theater, cultural arts, and entertainment district may be established in the manner provided in section 67.2515 by a circuit court with jurisdiction over any county, city, town, or village that has adopted transect-based zoning under chapter 89, RSMo, any county described in this section, or any city, town, or village that is within [a first class county with a charter form of government with a population over two hundred fifty thousand that

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adjoins a first class county with a charter form of government with a population over nine hundred thousand, or that is within such counties: 8

- (1) Any county with a charter form of government and with more than two hundred fifty thousand but less than three hundred fifty thousand inhabitants[, may establish a theater, cultural arts, and entertainment district in the manner provided in section 67.2515];
- (2) Any county of the first classification with more than ninety-three thousand eight hundred but fewer than ninety-three thousand nine hundred inhabitants;
- (3) Any county of the first classification with more than one hundred eighty-four thousand but fewer than one hundred eighty-eight thousand inhabitants;
- (4) Any county with a charter form of government and with more than six hundred thousand but fewer than seven hundred thousand inhabitants:
- (5) Any county of the first classification with more than one hundred thirty-five thousand four hundred but fewer than one hundred thirty-five thousand five hundred inhabitants;
- (6) Any county of the first classification with more than one hundred four thousand six hundred but fewer than one hundred four thousand seven hundred inhabitants.
- 89.010. **1.** The provisions of sections 89.010 to 89.140 shall apply to all cities, towns and villages in this state.
- 2. (1) As used in this subsection, "transect-based zoning" means a zoning classification system that prescriptively arranges uses, elements, and environments according to a geographic cross-section that range across a continuum from rural to urban, 6 with the range of environments providing the basis for organizing the components of the constructed world, including buildings, lots, land use, street, and all other physical elements of the human habitat, with the objective of creating sustainable communities and emphasizing bicycle lanes, street connectivity, and sidewalks, and permitting high-density and mixed use development in urban areas.
  - (2) In the event that any city, town, or village adopts a zoning or subdivision ordinance based on transect-based zoning, and such transect-based zoning provisions conflict with the zoning provisions adopted by code or ordinance of another political subdivision with jurisdiction in such city, town, or village, the transect-based zoning provisions governing street configuration requirements, including number and locations of parking spaces, street, drive lane, and cul-de-sac lengths and widths, turning radii, and improvements within the right-of-way, shall prevail over any other conflicting or more restrictive zoning provisions adopted by code or ordinance of the other political subdivision.

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- 89.400. **1.** When the planning commission of any municipality adopts a city plan which includes at least a major street plan or progresses in its city planning to the making and adoption of a major street plan, and files a certified copy of the major street plan in the office of the county recorder of the county in which the municipality is located, no plat of a subdivision of land lying within the municipality shall be filed or recorded until it has been submitted to and a report and recommendation thereon made by the commission to the city council and the council has approved the plat as provided by law.
  - 2. (1) As used in this subsection, "transect-based zoning" means a zoning classification system that prescriptively arranges uses, elements, and environments according to a geographic cross-section that range across a continuum from rural to urban, with the range of environments providing the basis for organizing the components of the constructed world, including buildings, lots, land use, street, and all other physical elements of the human habitat, with the objective of creating sustainable communities and emphasizing bicycle lanes, street connectivity, and sidewalks, and permitting high-density and mixed use development in urban areas.
  - (2) In the event that any city, town, or village adopts a zoning or subdivision ordinance based on transect-based zoning, and such transect-based zoning provisions conflict with the zoning provisions adopted by code or ordinance of another political subdivision with jurisdiction in such city, town, or village, the transect-based zoning provisions governing street configuration requirements, including number and locations of parking spaces, street, drive lane, and cul-de-sac lengths and widths, turning radii, and improvements within the right-of-way, shall prevail over any other conflicting or more restrictive zoning provisions adopted by code or ordinance of the other political subdivision.
- 94.837. 1. The governing body of any city of the fourth classification with more than two thousand five hundred but fewer than two thousand six hundred inhabitants and located in any county of the third classification without a township form of government and with more than ten thousand four hundred but fewer than ten thousand five hundred inhabitants, the governing body of any special charter city [with more than nine hundred fifty but fewer than one thousand 5 fifty inhabitants], and the governing body of any city of the fourth classification with more than one thousand two hundred but fewer than one thousand three hundred inhabitants and located in any county of the third classification without a township form of government and with more 8 than four thousand three hundred but fewer than four thousand four hundred inhabitants may 10 impose a tax on the charges for all sleeping rooms paid by the transient guests of hotels or motels situated in the city or a portion thereof, which shall not be more than five percent per occupied 11 room per night, except that such tax shall not become effective unless the governing body of the

13	city submits to the voters of the city at a state general or primary election a proposal to authorize
14	the governing body of the city to impose a tax under this section. The tax authorized in this
15	section shall be in addition to the charge for the sleeping room and all other taxes imposed by
16	law, and the proceeds of such tax shall be used by the city solely for the promotion of tourism.
17	Such tax shall be stated separately from all other charges and taxes.
12	2. The hallot of submission for the tay authorized in this section shall be in substantially

19	the following form:								
20	Shall	(insert the name of the city) impose a tax on the charges for							
21	all sleeping rooms	paid by th	e transient	guests of	hotels	and	motels	situated	in
22	(name of city) at a rate of (insert rate of percent) percent for the sol								ole
23	purpose of promoting	tourism?							
24		$\square$ YES		$\square$ NO					

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective on the first day of the second calendar quarter following the calendar quarter in which the election was held. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the question, then the tax authorized by this section shall not become effective unless and until the question is resubmitted under this section to the qualified voters of the city and such question is approved by a majority of the qualified voters of the city voting on the question.

- 3. As used in this section, "transient guests" means a person or persons who occupy a room or rooms in a hotel or motel for thirty-one days or less during any calendar quarter.
  - [67.2505. 1. A district may be created to fund, promote, and provide educational, civic, musical, theatrical, cultural, concerts, lecture series, and related or similar entertainment events or activities, and to fund, promote, plan, design, construct, improve, maintain, and operate public improvements, transportation projects, and related facilities in the district.
    - 2. A district is a political subdivision of the state.
  - 3. The name of a district shall consist of a name chosen by the original petitioners, preceding the words "theater, cultural arts, and entertainment district".
    - 4. The district shall include a minimum of fifty contiguous acres.
  - 5. Subdistricts shall be formed for the purpose of voting upon proposals for the creation of the district or subsequent proposed subdistrict, voting upon the question of imposing a proposed sales tax, and for representation on the board of directors, and for no other purpose.
  - 6. Whenever the creation of a district is desired, one or more registered voters from each subdistrict of the proposed district, or one or more property owners who collectively own one or more parcels of real estate comprising at

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least a majority of the land situated in the proposed subdistricts within the proposed district, may file a petition requesting the creation of a district with the governing body of the city, town, or village within which the proposed district is to be established. The petition shall contain the following information:

- (1) The name, address, and phone number of each petitioner and the location of the real property owned by the petitioner;
  - (2) The name of the proposed district;
- (3) A legal description of the proposed district, including a map illustrating the district boundaries, which shall be contiguous, and the division of the district into at least five, but not more than fifteen, subdistricts that shall contain, or are projected to contain upon full development of the subdistricts, approximately equal populations;
- (4) A statement indicating the number of directors to serve on the board, which shall be not less than five or more than fifteen;
  - (5) A request that the district be established;
  - (6) A general description of the activities that are planned for the district;
- (7) A proposal for a sales tax to fund the district initially, pursuant to the authority granted in sections 67.2500 to 67.2530, together with a request that the imposition of the sales tax be submitted to the qualified voters within the district;
- (8) A statement that the proposed district shall not be an undue burden on any owner of property within the district and is not unjust or unreasonable;
- (9) A request that the question of the establishment of the district be submitted to the qualified voters of the district;
- (10) A signed statement that the petitioners are authorized to submit the petition to the governing body; and
  - (11) Any other items the petitioners deem appropriate.
- 7. Upon the filing of a petition pursuant to this section, the governing body of any city, town, or village described in this section may pass a resolution containing the following information:
- (1) A description of the boundaries of the proposed district and each subdistrict;
- (2) The time and place of a hearing to be held to consider establishment of the proposed district;
  - (3) The time frame and manner for the filing of protests;
- (4) The proposed sales tax rate to be voted upon within the subdistricts of the proposed district;
- (5) The proposed uses for the revenue to be generated by the new sales tax; and
  - (6) Such other matters as the governing body may deem appropriate.
- 8. Prior to the governing body certifying the question of the district's creation and imposing a sales tax for approval by the qualified electors, a hearing shall be held as provided by this subsection. The governing body of the municipality approving a resolution as set forth in section 67.2520 shall:

- (1) Publish notice of the hearing, which shall include the information contained in the resolution cited in section 67.2520, on two separate occasions in at least one newspaper of general circulation in the county where the proposed district is located, with the first publication to occur not more than thirty days before the hearing, and the second publication to occur not more than fifteen days or less than ten days before the hearing;
- (2) Hear all protests and receive evidence for or against the establishment of the proposed district; and
  - (3) Consider all protests, which determinations shall be final.

The costs of printing and publication of the notice shall be paid by the petitioners. If the district is organized pursuant to sections 67.2500 to 67.2530, the petitioners may be reimbursed for such costs out of the revenues received by the district.

- 9. Following the hearing, the governing body of any city, town, or village within which the proposed district will be located may order an election on the questions of the district creation and sales tax funding for voter approval and certify the questions to the municipal clerk. The election order shall include the date on which the ballots will be mailed to qualified electors, which shall be not sooner than the eighth Tuesday from the issuance of the order. The election regarding the incorporation of the district and the imposing of the sales tax shall follow the procedure set forth in section 67.2520, and shall be held pursuant to the order and certification by the governing body. Only those subdistricts approving the question of creating the district and imposing the sales tax shall become part of the district.
- 10. If the results of the election conducted in accordance with section 67.2520 show that a majority of the votes cast were in favor of organizing the district and imposing the sales tax, the governing body may establish the proposed district in those subdistricts approving the question of creating the district and imposing the sales tax by adopting an ordinance to that effect. The ordinance establishing the district shall contain the following:
  - (1) The description of the boundaries of the district and each subdistrict;
- (2) A statement that a theater, cultural arts, and entertainment district has been established:
  - (3) A declaration that the district is a political subdivision of the state;
  - (4) The name of the district;
- (5) The date on which the sales tax election in the subdistricts was held, and the result of the election;
- (6) The uses for any revenue generated by a sales tax imposed pursuant to this section;
- (7) A certification to the newly created district of the election results, including the election concerning the sales tax; and
  - (8) Such other matters as the governing body deems appropriate.

103 11. Any subdistrict that does not approve the creation of the district and imposing the sales tax shall not be a part of the district and the sales tax shall not 104 be imposed until after the district board of directors has submitted another 105 106 proposal for the inclusion of the area into the district and such proposal and the 107 sales tax proposal are approved by a majority of the qualified voters in the subdistrict voting thereon. Such subsequent elections shall be conducted in 108 accordance with section 67.2520; provided, however, that the district board of 109 directors may place the question of the inclusion of a subdistrict within a district 110 and the question of imposing a sales tax before the voters of a proposed 111 112 subdistrict, and the municipal clerk, or circuit clerk if the district is formed by the 113 circuit court, shall conduct the election. In subsequent elections, the election 114 judges shall certify the election results to the district board of directors.]

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