

FIRST REGULAR SESSION

HOUSE BILL NO. 103

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES PORTWOOD (Sponsor), AVERY, SATER,
DUSENBERG AND LEMBKE (Co-sponsors).

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D. ADAM CRUMBLISS, Chief Clerk

0651L.01I

AN ACT

To repeal sections 99.805, 99.810, 99.820, and 99.847, RSMo, and to enact in lieu thereof seven new sections relating to tax increment financing.

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

Section A. Sections 99.805, 99.810, 99.820, and 99.847, RSMo, are repealed and seven
2 new sections enacted in lieu thereof, to be known as sections 67.112, 99.805, 99.810, 99.820,
3 99.847, 99.866, and 1, to read as follows:

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

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

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

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.

9 improved or vacant area within the boundaries of a redevelopment project area located
10 within the territorial limits of the municipality where:

11 (a) If improved, industrial, commercial, and residential buildings or improvements
12 are detrimental to the public safety, health, or welfare because of a combination of four or
13 more of the following factors, each of which is present, with that presence documented, to
14 a meaningful extent so that a municipality may reasonably find that the factor is clearly
15 present within the intent of the real property tax increment allocation redevelopment act
16 and reasonably distributed throughout the improved part of the redevelopment project
17 area:

18 a. Dilapidation. "Dilapidation" means an advanced state of disrepair or neglect
19 of necessary repairs to the primary structural components of buildings or improvements
20 in such a combination that a documented building condition analysis determines that
21 major repair is required or the defects are so serious and so extensive that the buildings
22 must be removed;

23 b. Obsolescence. "Obsolescence" means the condition or process of falling into
24 disuse; structures have become ill-suited for the original use;

25 c. Deterioration. "Deterioration" means with respect to buildings, defects
26 including, but not limited to, major defects in the secondary building components such as
27 doors, windows, porches, gutters and downspouts, and fascia. With respect to surface
28 improvements, the condition of roadways, alleys, curbs, gutters, sidewalks, off-street
29 parking, and surface storage areas show deterioration, including but not limited to, surface
30 cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding
31 through paved surfaces;

32 d. Presence of structures below minimum code standards. "Presence of structures
33 below minimum code standards" means all structures that do not meet the standards of
34 zoning, subdivision, building, fire, and other governmental codes applicable to property,
35 but not including housing and property maintenance codes;

36 e. Illegal use of individual structures. "Illegal use of individual structures" means
37 the use of structures in violation of applicable federal, state, or local laws, exclusive of those
38 applicable to the presence of structures below minimum code standards;

39 f. Excessive vacancies. "Excessive vacancies" means the presence of buildings that
40 are unoccupied or under-used and that represent an adverse influence on the area because
41 of the frequency, extent, or duration of the vacancies;

42 g. Lack of ventilation, light, or sanitary facilities. "Lack of ventilation, light, or
43 sanitary facilities" means the absence of adequate ventilation for light or air circulation
44 in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke,

45 or other noxious airborne materials. Inadequate natural light and ventilation means the
46 absence of skylights or windows for interior spaces or rooms and improper window sizes
47 and amounts by room area to window area ratios. Inadequate sanitary facilities refers to
48 the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water
49 and kitchens, and structural inadequacies preventing ingress and egress to and from all
50 rooms and units within a building;

51 h. Inadequate utilities. "Inadequate utilities" means underground and overhead
52 utilities such as storm sewers, storm drainage, sanitary sewers, waterlines, gas, telephone,
53 and electrical services that are shown to be inadequate. Inadequate utilities are those that
54 are:

55 (i) Of insufficient capacity to serve the uses in the redevelopment project area;

56 (ii) Deteriorated, antiquated, obsolete, or in disrepair; or

57 (iii) Lacking within the redevelopment project area;

58 i. Excessive land coverage and overcrowding of structures and community facilities.

59 "Excessive land coverage and overcrowding of structures and community facilities" means
60 the over-intensive use of property and the crowding of buildings and accessory facilities
61 onto a site. Examples of problem conditions warranting the designation of an area as one
62 exhibiting excessive land coverage are:

63 (i) The presence of buildings either improperly situated on parcels or located on
64 parcels of inadequate size and shape in relation to present-day standards of development
65 for health and safety; and

66 (ii) The presence of multiple buildings on a single parcel. For there to be a finding
67 of excessive land coverage, these parcels must exhibit one or more of the following
68 conditions: insufficient provision for light and air within or around buildings; increased
69 threat of spread of fire due to the close proximity of buildings; lack of adequate or proper
70 access to a public right-of-way; lack of reasonably required off-street parking; or
71 inadequate provision for loading and service;

72 j. Deleterious land use or layout. "Deleterious land use or layout" means the
73 existence of incompatible land use relationships, buildings occupied by inappropriate
74 mixed uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding
75 area;

76 k. Environmental clean-up. "Environmental clean-up" means the proposed
77 redevelopment project area has incurred division of environmental quality of the
78 department of natural resources or United States Environmental Protection Agency (EPA)
79 remediation costs for, or a study conducted by an independent consultant recognized as
80 having expertise in environmental remediation has determined a need for, the clean-up of

81 hazardous waste, hazardous substances, or underground storage tanks required by state
82 or federal law, provided that the remediation costs constitute a material impediment to the
83 development or redevelopment of the redevelopment project area;

84 l. Lack of community planning. "Lack of community planning" means the
85 proposed redevelopment project area was developed before or without the benefit or
86 guidance of a community plan, or before the adoption by the municipality of a
87 comprehensive or other community plan or the plan was not followed at the time of the
88 area's development. This factor shall be documented by evidence of adverse or
89 incompatible land use relationships, inadequate street layout, improper subdivision,
90 parcels of inadequate shape and size to meet contemporary development standards, or
91 other evidence demonstrating an absence of effective community planning;

92 m. The total equalized assessed value of the proposed redevelopment project area
93 has declined for two of the last five calendar years before the year in which the
94 redevelopment project area is designated or is increasing at an annual rate that is less than
95 the balance of the municipality for two of the last five calendar years for which information
96 is available or is increasing at an annual rate that is less than the Consumer Price Index
97 for All Urban Consumers published by the United States Department of Labor or its
98 successor agency for two of the last five calendar years before the year in which the
99 redevelopment project area is designated;

100 (b) If vacant, the growth of the redevelopment project area is impaired by a
101 combination of two or more of the following factors, each of which is present, with that
102 presence documented, to a meaningful extent so that a municipality may reasonably find
103 that the factor is clearly present within the intent of the real property tax increment
104 allocation redevelopment act and reasonably distributed throughout the vacant part of the
105 redevelopment project area to which it pertains:

106 a. Obsolete platting of vacant land that results in parcels of limited or narrow size
107 or configurations of parcels of irregular size or shape that would be difficult to develop on
108 a planned basis and in a manner compatible with contemporary standards and
109 requirements, or platting that failed to create rights-of-ways for streets or alleys or that
110 created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or
111 that omitted easements for public utilities;

112 b. Diversity of ownership of parcels of vacant land sufficient in number to retard
113 or impede the ability to assemble the land for development;

114 c. Tax and special assessment delinquencies exist or the property has been the
115 subject of tax sales under Missouri property tax laws within the last five years;

116 **d. Deterioration of structures or site improvements in neighboring areas adjacent**
117 **to the vacant land;**

118 **e. The area has incurred division of environmental quality of the department of**
119 **natural resources or United States Environmental Protection Agency remediation costs for,**
120 **or a study conducted by an independent consultant recognized as having expertise in**
121 **environmental remediation has determined a need for, the clean-up of hazardous waste,**
122 **hazardous substances, or underground storage tanks required by state or federal law,**
123 **provided that the remediation costs constitute a material impediment to the development**
124 **or redevelopment of the redevelopment project area;**

125 **f. The total equalized assessed value of the proposed redevelopment project area**
126 **has declined for two of the last five calendar years before the year in which the**
127 **redevelopment project area is designated or is increasing at an annual rate that is less than**
128 **the balance of the municipality for two of the last five calendar years for which information**
129 **is available or is increasing at an annual rate that is less than the Consumer Price Index**
130 **for All Urban Consumers published by the United States Department of Labor or its**
131 **successor agency for two of the last five calendar years before the year in which the**
132 **redevelopment project area is designated;**

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

136 (3) ["Conservation area", any improved area within the boundaries of a redevelopment
137 area located within the territorial limits of a municipality in which fifty percent or more of the
138 structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted
139 area but is detrimental to the public health, safety, morals, or welfare and may become a blighted
140 area because of any one or more of the following factors: dilapidation; obsolescence;
141 deterioration; illegal use of individual structures; presence of structures below minimum code
142 standards; abandonment; excessive vacancies; overcrowding of structures and community
143 facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land
144 coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of
145 community planning. A conservation area shall meet at least three of the factors provided in this
146 subdivision for projects approved on or after December 23, 1997;] "**Conservation area**", any
147 **improved area within the boundaries of a redevelopment project area located within the**
148 **territorial limits of the municipality in which fifty percent or more of the structures in the**
149 **area have an age of thirty-five years or more. Such an area is not yet a blighted area but**
150 **because of a combination of three or more of the following factors is detrimental to the**
151 **public safety, health, morals, or welfare and such an area may become a blighted area:**

152 (a) Dilapidation. "Dilapidation" means an advanced state of disrepair or neglect
153 of necessary repairs to the primary structural components of buildings or improvements
154 in such a combination that a documented building condition analysis determines that
155 major repair is required or the defects are so serious and so extensive that the buildings
156 must be removed;

157 (b) Obsolescence. "Obsolescence" means the condition or process of falling into
158 disuse; structures have become ill-suited for the original use;

159 (c) Deterioration. "Deterioration" means with respect to buildings, defects
160 including, but not limited to, major defects in the secondary building components such as
161 doors, windows, porches, gutters, downspouts, and fascia. With respect to surface
162 improvements, the condition of roadways, alleys, curbs, gutters, sidewalks, off-street
163 parking, and surface storage areas show deterioration, including but not limited to, surface
164 cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding
165 through paved surfaces;

166 (d) Presence of structures below minimum code standards. "Presence of structures
167 below minimum code standards" means all structures that do not meet the standards of
168 zoning, subdivision, building, fire, and other governmental codes applicable to property,
169 but not including housing and property maintenance codes;

170 (e) Illegal use of individual structures. "Illegal use of individual structures" means
171 the use of structures in violation of applicable federal, state, or local laws, exclusive of those
172 applicable to the presence of structures below minimum code standards;

173 (f) Excessive vacancies. "Excessive vacancies" means the presence of buildings that
174 are unoccupied or under-used and that represent an adverse influence on the area because
175 of the frequency, extent, or duration of the vacancies;

176 (g) Lack of ventilation, light, or sanitary facilities. "Lack of ventilation, light, or
177 sanitary facilities" means the absence of adequate ventilation for light or air circulation
178 in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke,
179 or other noxious airborne materials. Inadequate natural light and ventilation means the
180 absence or inadequacy of skylights or windows for interior spaces or rooms and improper
181 window sizes and amounts by room area to window area ratios. Inadequate sanitary
182 facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom
183 facilities, hot water and kitchens, and structural inadequacies preventing ingress and
184 egress to and from all rooms and units within a building;

185 (h) Inadequate utilities. "Inadequate utilities" means underground and overhead
186 utilities such as storm sewers, storm drainage, sanitary sewers, waterlines, gas, telephone,

187 **and electrical services that are shown to be inadequate. Inadequate utilities are those that**
188 **are:**

189 **a. Of insufficient capacity to serve the uses in the redevelopment project area;**

190 **b. Deteriorated, antiquated, obsolete, or in disrepair; or**

191 **c. Lacking within the redevelopment project area;**

192 **(i) Excessive land coverage and overcrowding of structures and community**
193 **facilities. "Excessive land coverage and overcrowding of structures and community**
194 **facilities" means the over-intensive use of property and the crowding of buildings and**
195 **accessory facilities onto a site. Examples of problem conditions warranting the designation**
196 **of an area as one exhibiting excessive land coverage are the presence of buildings either**
197 **improperly situated on parcels or located on parcels of inadequate size and shape in**
198 **relation to present-day standards of development for health and safety, or the presence of**
199 **multiple buildings on a single parcel. For there to be a finding of excessive land coverage,**
200 **these parcels must exhibit one or more of the following conditions:**

201 **a. Insufficient provision for light and air within or around buildings;**

202 **b. Increased threat of spread of fire due to the close proximity of buildings;**

203 **c. Lack of adequate or proper access to a public right-of-way;**

204 **d. Lack of reasonably required off-street parking; or**

205 **e. Inadequate provision for loading and service;**

206 **(j) Deleterious land use or layout. "Deleterious land use or layout" means the**
207 **existence of incompatible land use relationships, buildings occupied by inappropriate**
208 **mixed uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding**
209 **area;**

210 **(k) Lack of community planning. "Lack of community planning" means the**
211 **proposed redevelopment project area was developed before or without the benefit or**
212 **guidance of a community plan, or the development occurred before the adoption by the**
213 **municipality of a comprehensive or other community plan or the plan was not followed at**
214 **the time of the area's development. This factor shall be documented by evidence of adverse**
215 **or incompatible land-use relationships, inadequate street layout, improper subdivision,**
216 **parcels of inadequate shape and size to meet contemporary development standards, or**
217 **other evidence demonstrating an absence of effective community planning;**

218 **(l) The area has incurred division of environmental quality of the department of**
219 **natural resources or United States Environmental Protection Agency remediation costs for,**
220 **or a study conducted by an independent consultant recognized as having expertise in**
221 **environmental remediation has determined a need for, the clean-up of hazardous waste,**
222 **hazardous substances, or underground storage tanks required by state or federal law,**

223 **provided that the remediation costs constitute a material impediment to the development**
224 **or redevelopment of the redevelopment project area;**

225 **(m) The total equalized assessed value of the proposed redevelopment project area**
226 **has declined for two of the last five calendar years for which information is available or is**
227 **increasing at an annual rate that is less than the balance of the municipality for two of the**
228 **last five calendar years for which information is available or is increasing at an annual rate**
229 **that is less than the Consumer Price Index for All Urban Consumers published by the**
230 **United States Department of Labor or its successor agency for two of the last five calendar**
231 **years for which information is available;**

232 (4) "Economic activity taxes", the total additional revenue from taxes which are imposed
233 by a municipality and other taxing districts, and which are generated by economic activities
234 within a redevelopment area over the amount of such taxes generated by economic activities
235 within such redevelopment area in the calendar year prior to the adoption of the ordinance
236 designating such a redevelopment area, while tax increment financing remains in effect, but
237 excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by
238 transient guests of hotels and motels, licenses, fees or special assessments. For redevelopment
239 projects or redevelopment plans approved after December 23, 1997, if a retail establishment
240 relocates within one year from one facility to another facility within the same county and the
241 governing body of the municipality finds that the relocation is a direct beneficiary of tax
242 increment financing, then for purposes of this definition, the economic activity taxes generated
243 by the retail establishment shall equal the total additional revenues from economic activity taxes
244 which are imposed by a municipality or other taxing district over the amount of economic
245 activity taxes generated by the retail establishment in the calendar year prior to its relocation to
246 the redevelopment area;

247 (5) "Economic development area", any area or portion of an area located within the
248 territorial limits of a municipality, which does not meet the requirements of subdivisions (1) and
249 (3) of this section, and in which the governing body of the municipality finds that redevelopment
250 will not be solely used for development of commercial businesses which unfairly compete in the
251 local economy and is in the public interest because it will:

252 (a) Discourage commerce, industry or manufacturing from moving their operations to
253 another state; or

254 (b) Result in increased employment in the municipality; or

255 (c) Result in preservation or enhancement of the tax base of the municipality;

256 (6) "Gambling establishment", an excursion gambling boat as defined in section 313.800,
257 RSMo, and any related business facility including any real property improvements which are
258 directly and solely related to such business facility, whose sole purpose is to provide goods or

259 services to an excursion gambling boat and whose majority ownership interest is held by a person
260 licensed to conduct gambling games on an excursion gambling boat or licensed to operate an
261 excursion gambling boat as provided in sections 313.800 to 313.850, RSMo. This subdivision
262 shall be applicable only to a redevelopment area designated by ordinance adopted after December
263 23, 1997;

264 (7) "Municipality", a city, village, or incorporated town or any county of this state. For
265 redevelopment areas or projects approved on or after December 23, 1997, "municipality" applies
266 only to cities, villages, incorporated towns or counties established for at least one year prior to
267 such date;

268 (8) "Obligations", bonds, loans, debentures, notes, special certificates, or other evidences
269 of indebtedness issued by a municipality to carry out a redevelopment project or to refund
270 outstanding obligations;

271 (9) "Ordinance", an ordinance enacted by the governing body of a city, town, or village
272 or a county or an order of the governing body of a county whose governing body is not
273 authorized to enact ordinances;

274 (10) "Payment in lieu of taxes", those estimated revenues from real property in the area
275 selected for a redevelopment project, which revenues according to the redevelopment project or
276 plan are to be used for a private use, which taxing districts would have received had a
277 municipality not adopted tax increment allocation financing, and which would result from levies
278 made after the time of the adoption of tax increment allocation financing during the time the
279 current equalized value of real property in the area selected for the redevelopment project
280 exceeds the total initial equalized value of real property in such area until the designation is
281 terminated pursuant to subsection 2 of section 99.850;

282 (11) "Redevelopment area", an area designated by a municipality, in respect to which the
283 municipality has made a finding that there exist conditions which cause the area to be classified
284 as a blighted area, a conservation area, an economic development area, an enterprise zone
285 pursuant to sections 135.200 to 135.256, RSMo, or a combination thereof, which area includes
286 only those parcels of real property directly and substantially benefited by the proposed
287 redevelopment project;

288 (12) "Redevelopment plan", the comprehensive program of a municipality for
289 redevelopment intended by the payment of redevelopment costs to reduce or eliminate those
290 conditions, the existence of which qualified the redevelopment area as a blighted area,
291 conservation area, economic development area, or combination thereof, and to thereby enhance
292 the tax bases of the taxing districts which extend into the redevelopment area. Each
293 redevelopment plan shall conform to the requirements of section 99.810;

294 (13) "Redevelopment project", any development project within a redevelopment area in
295 furtherance of the objectives of the redevelopment plan; any such redevelopment project shall
296 include a legal description of the area selected for the redevelopment project;

297 (14) "Redevelopment project costs" include the sum total of all reasonable or necessary
298 costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan
299 or redevelopment project, as applicable. Such costs include, but are not limited to, the following:

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

301 (b) **Extraordinary** professional service costs, including, but not limited to, architectural,
302 engineering, legal, marketing, financial, planning or special services. **Extraordinary**
303 **professional service costs shall only include costs required under the real property tax**
304 **increment allocation redevelopment act.** Except the reasonable costs incurred by the
305 commission established in section 99.820 for the administration of sections 99.800 to 99.865,
306 such costs shall be allowed only as an initial expense which, to be recoverable, shall be included
307 in the costs of a redevelopment plan or project;

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

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

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

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

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

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

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

326 (j) Payments in lieu of taxes;

327 (15) "Special allocation fund", the fund of a municipality or its commission which
328 contains at least two separate segregated accounts for each redevelopment plan, maintained by
329 the treasurer of the municipality or the treasurer of the commission into which payments in lieu

330 of taxes are deposited in one account, and economic activity taxes and other revenues are
331 deposited in the other account;

332 (16) "Taxing districts", any political subdivision of this state having the power to levy
333 taxes;

334 (17) "Taxing districts' capital costs", those costs of taxing districts for capital
335 improvements that are found by the municipal governing bodies to be necessary and to directly
336 result from the redevelopment project; and

337 (18) "Vacant land", any parcel or combination of parcels of real property not used for
338 industrial, commercial, or residential buildings.

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

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

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

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

27 property for a redevelopment project shall be acquired by eminent domain later than five years
28 from the adoption of the ordinance approving such redevelopment project;

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

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

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

41 **2. In the event that, within ten days after the passage of a municipal or county**
42 **ordinance adopting a redevelopment plan, the appropriate local election authority receives**
43 **a notice, signed by not less than one hundred registered voters of the municipality or**
44 **county, stating the intention of such registered voters to cause a petition to be circulated**
45 **to resubmit any such ordinance to a second vote by the municipal or county governing**
46 **body, the ordinance shall not take effect as otherwise provided. In the event that, within**
47 **forty days after the passage of a municipal or county ordinance adopting a redevelopment**
48 **plan, the appropriate local election authority receives a petition, signed by a number of**
49 **registered voters equal to at least ten percent of the number of total votes cast in such**
50 **subdivision in the most recent mayoral or county commissioner election, requesting that**
51 **approval of the redevelopment plan be resubmitted to the municipal or county governing**
52 **body for a second vote, the municipal or county governing body shall vote again on the**
53 **adoption of the redevelopment plan. No such plan shall become effective unless and until**
54 **it receives the favorable vote of two-thirds of all the members of the governing body.**

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

99.820. 1. A municipality may:

2 (1) By ordinance introduced in the governing body of the municipality within fourteen
3 to ninety days from the completion of the hearing required in section 99.825, approve

4 redevelopment plans and redevelopment projects, and designate redevelopment project areas
5 pursuant to the notice and hearing requirements of sections 99.800 to 99.865. No redevelopment
6 project shall be approved unless a redevelopment plan has been approved and a redevelopment
7 area has been designated prior to or concurrently with the approval of such redevelopment
8 project and the area selected for the redevelopment project shall include only those parcels of real
9 property and improvements thereon directly and substantially benefited by the proposed
10 redevelopment project improvements;

11 (2) Make and enter into all contracts necessary or incidental to the implementation and
12 furtherance of its redevelopment plan or project;

13 (3) Pursuant to a redevelopment plan, subject to any constitutional limitations, acquire
14 by purchase, donation, lease or, as part of a redevelopment project, eminent domain, own,
15 convey, lease, mortgage, or dispose of, land and other property, real or personal, or rights or
16 interests therein, and grant or acquire licenses, easements and options with respect thereto, all
17 in the manner and at such price the municipality or the commission determines is reasonably
18 necessary to achieve the objectives of the redevelopment plan. No conveyance, lease, mortgage,
19 disposition of land or other property, acquired by the municipality, or agreement relating to the
20 development of the property shall be made except upon the adoption of an ordinance by the
21 governing body of the municipality. Each municipality or its commission shall establish written
22 procedures relating to bids and proposals for implementation of the redevelopment projects.
23 Furthermore, no conveyance, lease, mortgage, or other disposition of land or agreement relating
24 to the development of property shall be made without making public disclosure of the terms of
25 the disposition and all bids and proposals made in response to the municipality's request. Such
26 procedures for obtaining such bids and proposals shall provide reasonable opportunity for any
27 person to submit alternative proposals or bids;

28 (4) Within a redevelopment area, clear any area by demolition or removal of existing
29 buildings and structures;

30 (5) Within a redevelopment area, renovate, rehabilitate, or construct any structure or
31 building;

32 (6) Install, repair, construct, reconstruct, or relocate streets, utilities, and site
33 improvements essential to the preparation of the redevelopment area for use in accordance with
34 a redevelopment plan;

35 (7) Within a redevelopment area, fix, charge, and collect fees, rents, and other charges
36 for the use of any building or property owned or leased by it or any part thereof, or facility
37 therein;

38 (8) Accept grants, guarantees, and donations of property, labor, or other things of value
39 from a public or private source for use within a redevelopment area;

- 40 (9) Acquire and construct public facilities within a redevelopment area;
- 41 (10) Incur redevelopment costs and issue obligations;
- 42 (11) Make payment in lieu of taxes, or a portion thereof, to taxing districts;
- 43 (12) Disburse surplus funds from the special allocation fund to taxing districts as
- 44 follows:
- 45 (a) Such surplus payments in lieu of taxes shall be distributed to taxing districts within
- 46 the redevelopment area which impose ad valorem taxes on a basis that is proportional to the
- 47 current collections of revenue which each taxing district receives from real property in the
- 48 redevelopment area;
- 49 (b) Surplus economic activity taxes shall be distributed to taxing districts in the
- 50 redevelopment area which impose economic activity taxes, on a basis that is proportional to the
- 51 amount of such economic activity taxes the taxing district would have received from the
- 52 redevelopment area had tax increment financing not been adopted;
- 53 (c) Surplus revenues, other than payments in lieu of taxes and economic activity taxes,
- 54 deposited in the special allocation fund, shall be distributed on a basis that is proportional to the
- 55 total receipt of such other revenues in such account in the year prior to disbursement;
- 56 (13) If any member of the governing body of the municipality, a member of a
- 57 commission established pursuant to subsection 2 of this section, or an employee or consultant
- 58 of the municipality, involved in the planning and preparation of a redevelopment plan, or
- 59 redevelopment project for a redevelopment area or proposed redevelopment area, owns or
- 60 controls an interest, direct or indirect, in any property included in any redevelopment area, or
- 61 proposed redevelopment area, which property is designated to be acquired or improved pursuant
- 62 to a redevelopment project, he or she shall disclose the same in writing to the clerk of the
- 63 municipality, and shall also so disclose the dates, terms, and conditions of any disposition of any
- 64 such interest, which disclosures shall be acknowledged by the governing body of the
- 65 municipality and entered upon the minutes books of the governing body of the municipality. If
- 66 an individual holds such an interest, then that individual shall refrain from any further official
- 67 involvement in regard to such redevelopment plan, redevelopment project or redevelopment area,
- 68 from voting on any matter pertaining to such redevelopment plan, redevelopment project or
- 69 redevelopment area, or communicating with other members concerning any matter pertaining
- 70 to that redevelopment plan, redevelopment project or redevelopment area. Furthermore, no such
- 71 member or employee shall acquire any interest, direct or indirect, in any property in a
- 72 redevelopment area or proposed redevelopment area after either (a) such individual obtains
- 73 knowledge of such plan or project, or (b) first public notice of such plan, project or area pursuant
- 74 to section 99.830, whichever first occurs;

75 (14) Charge as a redevelopment cost the reasonable costs incurred by its clerk or other
76 official in administering the redevelopment project. The charge for the clerk's or other official's
77 costs shall be determined by the municipality based on a recommendation from the commission,
78 created pursuant to this section.

79 2. Prior to adoption of an ordinance approving the designation of a redevelopment area
80 or approving a redevelopment plan or redevelopment project, the municipality shall create a
81 commission of nine persons if the municipality is a county or a city not within a county and not
82 a first class county with a charter form of government with a population in excess of nine
83 hundred thousand, and eleven persons if the municipality is not a county and not in a first class
84 county with a charter form of government having a population of more than nine hundred
85 thousand, and twelve persons if the municipality is located in or is a first class county with a
86 charter form of government having a population of more than nine hundred thousand, to be
87 appointed as follows:

88 (1) In all municipalities two members shall be appointed by the school boards whose
89 districts are included within the redevelopment plan or redevelopment area. Such members shall
90 be appointed in any manner agreed upon by the affected districts;

91 (2) In all municipalities one member shall be appointed, in any manner agreed upon by
92 the affected districts, to represent all other districts levying ad valorem taxes within the area
93 selected for a redevelopment project or the redevelopment area, excluding representatives of the
94 governing body of the municipality;

95 (3) In all municipalities six members shall be appointed by the chief elected officer of
96 the municipality, with the consent of the majority of the governing body of the municipality;

97 (4) In all municipalities which are not counties and not in a first class county with a
98 charter form of government having a population in excess of nine hundred thousand, two
99 members shall be appointed by the county of such municipality in the same manner as members
100 are appointed in subdivision (3) of this subsection;

101 (5) In a municipality which is a county with a charter form of government having a
102 population in excess of nine hundred thousand, three members shall be appointed by the cities
103 in the county which have tax increment financing districts in a manner in which the cities shall
104 agree;

105 (6) In a municipality which is located in the first class county with a charter form of
106 government having a population in excess of nine hundred thousand, three members shall be
107 appointed by the county of such municipality in the same manner as members are appointed in
108 subdivision (3) of this subsection;

109 (7) At the option of the members appointed by the municipality, the members who are
110 appointed by the school boards and other taxing districts may serve on the commission for a term

111 to coincide with the length of time a redevelopment project, redevelopment plan or designation
112 of a redevelopment area is considered for approval by the commission, or for a definite term
113 pursuant to this subdivision. If the members representing school districts and other taxing
114 districts are appointed for a term coinciding with the length of time a redevelopment project, plan
115 or area is approved, such term shall terminate upon final approval of the project, plan or
116 designation of the area by the governing body of the municipality. Thereafter the commission
117 shall consist of the six members appointed by the municipality, except that members representing
118 school boards and other taxing districts shall be appointed as provided in this section prior to any
119 amendments to any redevelopment plans, redevelopment projects or designation of a
120 redevelopment area. If any school district or other taxing jurisdiction fails to appoint members
121 of the commission within thirty days of receipt of written notice of a proposed redevelopment
122 plan, redevelopment project or designation of a redevelopment area, the remaining members may
123 proceed to exercise the power of the commission. Of the members first appointed by the
124 municipality, two shall be designated to serve for terms of two years, two shall be designated to
125 serve for a term of three years and two shall be designated to serve for a term of four years from
126 the date of such initial appointments. Thereafter, the members appointed by the municipality
127 shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms
128 in the same manner as were the original appointments.

129 3. The commission, subject to approval of the governing body of the municipality, may
130 exercise the powers enumerated in sections 99.800 to 99.865, except final approval of plans,
131 projects and designation of redevelopment areas. The commission shall hold public hearings and
132 provide notice pursuant to sections 99.825 and 99.830. The commission shall vote on all
133 proposed redevelopment plans, redevelopment projects and designations of redevelopment areas,
134 and amendments thereto, within thirty days following completion of the hearing on any such
135 plan, project or designation and shall make recommendations to the governing body within
136 ninety days of the hearing referred to in section 99.825 concerning the adoption of or amendment
137 to redevelopment plans and redevelopment projects and the designation of redevelopment areas.
138 The requirements of subsection 2 of this section and this subsection shall not apply to
139 redevelopment projects upon which the required hearings have been duly held prior to August
140 31, 1991.

141 **4. If the commission makes a negative recommendation to the governing body**
142 **regarding a redevelopment plan, redevelopment project, designation of redevelopment**
143 **area, or amendments thereto, then such plan, project, designation, or amendment shall not**
144 **be adopted except by a favorable vote of two-thirds of all the members of the governing**
145 **body.**

99.847. 1. Notwithstanding the provisions of sections 99.800 to 99.865 to the contrary,
2 no new tax increment financing project shall be authorized in any area which is within an area
3 designated as **a one hundred year** flood plain by the Federal Emergency Management Agency
4 and which is located in or partly within a county with a charter form of government with greater
5 than two hundred fifty thousand inhabitants but fewer than three hundred thousand inhabitants,
6 **unless the redevelopment area actually abuts a river or major waterway and is**
7 **substantially surrounded by contiguous properties with residential, industrial, or**
8 **commercial zoning classifications.**

9 2. This subsection shall not apply to tax increment financing projects or districts
10 approved prior to July 1, 2003, and shall allow the aforementioned tax increment financing
11 projects to modify, amend or expand such projects including redevelopment project costs by not
12 more than forty percent of such project original projected cost including redevelopment project
13 costs as such projects including redevelopment project costs as such projects redevelopment
14 projects including redevelopment project costs existed as of June 30, 2003, and shall allow the
15 aforementioned tax increment financing district to modify, amend or expand such districts by
16 not more than five percent as such districts existed as of June 30, 2003.

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

Section 1. In any home rule city with more than four hundred thousand inhabitants
2 **and located in more than one county and any city not within a county, when tax increment**
3 **financing is used for a project, those receiving the financing must make all good faith**
4 **efforts to use minority business enterprises or women business enterprises to help complete**
5 **the project.**

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