

FIRST REGULAR SESSION

HOUSE BILL NO. 746

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BRINGER.

1938L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 99.1090, RSMo, and to enact in lieu thereof one new section relating to downtown revitalization preservation redevelopment projects.

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

Section A. Section 99.1090, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 99.1090, to read as follows:

99.1090. 1. A municipality shall submit an application to the department of economic development for review and determination as to approval of the disbursement of the project costs of one or more redevelopment projects from the downtown revitalization preservation fund. The department of economic development shall forward the application to the commissioner of the office of administration for approval. In no event shall any approval authorize a disbursement of one or more redevelopment projects from the downtown revitalization preservation fund which exceeds the allowable amount of other net new revenues derived from the redevelopment area. An application submitted to the department of economic development shall contain the following, in addition to the items set forth in section 99.1086:

(1) An estimate that one hundred percent of the local sales tax increment deposited to the special allocation fund must and will be used to pay redevelopment project costs or obligations issued to finance redevelopment project costs to achieve the objectives of the redevelopment plan. **Contributions to the redevelopment 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;**

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

17 (2) Identification of the existing businesses located within the redevelopment project
18 area and the redevelopment area;

19 (3) The aggregate baseline year amount of state sales tax revenues reported by existing
20 businesses within the redevelopment project area. Provisions of section 32.057, RSMo,
21 notwithstanding, municipalities will provide this information to the department of revenue for
22 verification. The department of revenue will verify the information provided by the
23 municipalities within forty-five days of receiving a request for such verification from a
24 municipality;

25 (4) An estimate of the state sales tax increment within the redevelopment project area
26 after redevelopment. The department of economic development shall have the discretion to
27 exempt smaller projects from this requirement;

28 (5) An affidavit that is signed by the developer or developers attesting that the provision
29 of subdivision (2) of subsection 2 of section 99.1086 has been met;

30 (6) The amounts and types of other net new revenues sought by the applicant to be
31 disbursed from the downtown revitalization preservation fund over the term of the
32 redevelopment plan;

33 (7) The methodologies and underlying assumptions used in determining the estimate of
34 the state sales tax increment; and

35 (8) Any other information reasonably requested by the department of economic
36 development.

37 2. The department of economic development shall make all reasonable efforts to process
38 applications within a reasonable amount of time.

39 3. The department of economic development shall make a determination regarding the
40 application for a certificate allowing disbursements from the downtown revitalization
41 preservation fund and shall forward such determination to the commissioner of the office of
42 administration. In no event shall the amount of disbursements from the downtown revitalization
43 preservation fund approved for a project, in addition to any other state economic redevelopment
44 funding or other state incentives, exceed the projected state benefit of the redevelopment project,
45 as determined by the department of economic development through a cost-benefit analysis. Any
46 political subdivision located either wholly or partially within the redevelopment area shall be
47 permitted to submit information to the department of economic development for consideration
48 in its cost-benefit analysis. Upon approval of downtown revitalization preservation financing,
49 a certificate of approval shall be issued by the department of economic development containing
50 the terms and limitations of the disbursement.

51 4. At no time shall the annual amount of other net new revenues approved for
52 disbursements from the downtown revitalization preservation fund exceed fifteen million dollars.

53 5. Redevelopment projects receiving disbursements from the downtown revitalization
54 preservation fund shall be limited to receiving such disbursements for twenty-five years. The
55 approved term notwithstanding, downtown revitalization preservation financing shall terminate
56 when redevelopment financing for a redevelopment project is terminated by a municipality.

57 6. The municipality shall deposit payments received from the downtown revitalization
58 preservation redevelopment fund in a separate segregated account for other net new revenues
59 within the special allocation fund.

60 7. Redevelopment project costs may include, at the prerogative of the state, the portion
61 of salaries and expenses of the department of economic development and the department of
62 revenue reasonably allocable to each redevelopment project approved for disbursements from
63 the downtown revitalization preservation fund for the ongoing administrative functions
64 associated with such redevelopment project. Such amounts shall be recovered from new state
65 revenues deposited into the downtown revitalization preservation fund created under section
66 99.1092.

67 8. A redevelopment project approved for downtown revitalization preservation financing
68 shall not thereafter elect to receive tax increment financing under the real property tax increment
69 allocation redevelopment act, sections 99.800 to 99.865, and continue to receive downtown
70 revitalization financing under sections 99.1080 to 99.1092.

71 9. The department of economic development may establish the procedures and standards
72 for the determination and approval of applications by the promulgation of rules and publish
73 forms to implement the provisions of this section and section 99.1092.

74 10. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that
75 is created under the authority delegated in this section and section 99.1092 shall become
76 effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo,
77 and, if applicable, section 536.028, RSMo. This section, section 99.1092, and chapter 536,
78 RSMo, are nonseverable and if any of the powers vested with the general assembly under chapter
79 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are
80 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
81 or adopted after August 28, 2005, shall be invalid and void.

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