

SECOND REGULAR SESSION

# HOUSE BILL NO. 2162

## 98TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE MARSHALL

5769H.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal sections 99.320, 523.271, and 523.274, RSMo, and to enact in lieu thereof three new sections relating to blighted areas.

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

Section A. Sections 99.320, 523.271, and 523.274, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 99.320, 523.271, and 523.274, to read as follows:

99.320. As used in this law, the following terms mean:

(1) "Area of operation", in the case of a municipality, the area within the municipality except that the area of operation of a municipality under this law shall not include any area which lies within the territorial boundaries of another municipality unless a resolution has been adopted by the governing body of the other municipality declaring a need therefor; and in the case of a county, the area within the county, except that the area of operation in such case shall not include any area which lies within the territorial boundaries of a municipality unless a resolution has been adopted by the governing body of the municipality declaring a need therefor; and in the case of a regional authority, the area within the communities for which the regional authority is created, except that a regional authority shall not undertake a land clearance project within the territorial boundaries of any municipality unless a resolution has been adopted by the governing body of the municipality declaring that there is a need for the regional authority to undertake the land clearance project within such municipality; no authority shall operate in any area of operation in which another authority already established is undertaking or carrying out a land clearance project without the consent, by resolution, of the other authority;

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 (2) "Authority" or "land clearance for redevelopment authority", a public body corporate  
17 and politic created by or pursuant to section 99.330 or any other public body exercising the  
18 powers, rights and duties of such an authority;

19 (3) "Blighted area", [an area which, by reason of the predominance of defective or  
20 inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements,  
21 improper subdivision or obsolete platting, or the existence of conditions which endanger life or  
22 property by fire and other causes, or any combination of such factors, retards the provision of  
23 housing accommodations or constitutes an economic or social liability or a menace to the public  
24 health, safety, morals, or welfare in its present condition and use] **a structure:**

25 **(a) That was inspected by the appropriate local government and cited for one or**  
26 **more enforceable housing, maintenance, or building code violations that affect the safety**  
27 **of the occupants or the public and involve one or more of the following:**

- 28 **a. A roof and roof framing element;**  
29 **b. Support walls, beams, and headers;**  
30 **c. Foundation, footings, and subgrade conditions;**  
31 **d. Light and ventilation;**  
32 **e. Fire protection, including egress;**  
33 **f. Internal utilities, including electricity, gas, and water;**  
34 **g. Flooring and flooring elements; or**  
35 **h. Walls, insulation, and exterior envelope;**

36 **(b) The cited housing, maintenance, or building code violations have not been**  
37 **remedied within a reasonable time after two notices to cure the noncompliance; and**

38 **(c) The satisfaction of those enforceable, cited, and uncured housing, maintenance,**  
39 **and building code violations cost more than fifty percent of the assessor's taxable marked**  
40 **value for the building, excluding land value, for property taxes payable in the year in**  
41 **which the condemnation is commenced;**

42 (4) "Bond", any bonds, including refunding bonds, notes, interim certificates, debentures,  
43 or other obligations issued by an authority pursuant to this law;

44 (5) "Clerk", the clerk or other official of the municipality or county who is the custodian  
45 of the official records of the municipality or county;

46 (6) "Community", any county or municipality except that such term shall not include any  
47 municipality containing less than seventy-five thousand inhabitants until the governing body  
48 thereof shall have submitted the proposition of accepting the provisions of this law to the  
49 qualified voters therein at an election called and held as provided by law for the incurring of  
50 indebtedness by such municipality, and a majority of the voters voting at the election shall have  
51 voted in favor of such proposition;

52 (7) "Federal government", the United States of America or any agency or instrumentality,  
53 corporate or otherwise, of the United States of America;

54 (8) "Governing body", the city council, common council, board of aldermen or other  
55 legislative body charged with governing the municipality or the county commission or other  
56 legislative body charged with governing the county;

57 (9) "Insanitary area", an area in which there is a predominance of buildings and  
58 improvements which, by reason of dilapidation, deterioration, age or obsolescence, inadequate  
59 provision for ventilation, light, air sanitation or open spaces, high density of population and  
60 overcrowding of buildings, overcrowding of land, or the existence of conditions which endanger  
61 life or property by fire and other causes, or any combination of such factors, is conducive to ill  
62 health, transmission of disease, infant mortality, juvenile delinquency and crime or constitutes  
63 an economic or social liability and is detrimental to the public health, safety, morals, or welfare;

64 (10) "Land clearance project", any work or undertaking:

65 (a) To acquire blighted, or insanitary areas or portions thereof, including lands,  
66 structures, or improvements the acquisition of which is necessary or incidental to the proper  
67 clearance, development or redevelopment of the blighted or insanitary areas or to the prevention  
68 of the spread or recurrence of substandard or insanitary conditions or conditions of blight;

69 (b) To clear any such areas by demolition or removal of existing buildings, structures,  
70 streets, utilities or other improvements thereon and to install, construct or reconstruct streets,  
71 utilities, and site improvements essential to the preparation of sites for uses in accordance with  
72 a redevelopment plan;

73 (c) To sell, lease or otherwise make available land in such areas for residential,  
74 recreational, commercial, industrial or other use or for public use or to retain such land for public  
75 use, in accordance with a redevelopment plan;

76 (d) To develop, construct, reconstruct, rehabilitate, repair or improve residences, houses,  
77 buildings, structures and other facilities;

78 (e) The term "land clearance project" may also include the preparation of a  
79 redevelopment plan, the planning, survey and other work incident to a land clearance project and  
80 the preparation of all plans and arrangements for carrying out a land clearance project and  
81 wherever the words "land clearance project" are used in this law, they shall also mean and  
82 include the words "urban renewal project" as defined in this section;

83 (11) "Mayor", the elected mayor of the city or the elected officer having the duties  
84 customarily imposed upon the mayor of the city or the executive head of a county;

85 (12) "Municipality", any incorporated city, town or village in the state;

86 (13) "Obligee", any bondholders, agents or trustees for any bondholders, lessor demising  
87 to the authority property used in connection with land clearance project, or any assignee or

88 assignees of the lessor's interest or any part thereof, and the federal government when it is a party  
89 to any contract with the authority;

90 (14) "Person", any individual, firm, partnership, corporation, company, association, joint  
91 stock association, or body politic; and shall include any trustee, receiver, assignee, or other  
92 similar representative thereof;

93 (15) "Public body", the state or any municipality, county, township, board, commission,  
94 authority, district, or any other subdivision of the state;

95 (16) "Real property", all lands, including improvements and fixtures thereon, and  
96 property of any nature appurtenant thereto, or used in connection therewith, and every estate,  
97 interest and right, legal or equitable, therein, including terms for years and liens by way of  
98 judgment, mortgage or otherwise and the indebtedness secured by such liens;

99 (17) "Redeveloper", any person, partnership, or public or private corporation or agency  
100 which enters or proposes to enter into a redevelopment or rehabilitation or renewal contract;

101 (18) "Redevelopment contract", a contract entered into between an authority and  
102 redeveloper for the redevelopment, rehabilitation or renewal of an area in conformity with a  
103 redevelopment plan or an urban renewal plan;

104 (19) "Redevelopment", the process of undertaking and carrying out a redevelopment plan  
105 or urban renewal plan;

106 (20) "Redevelopment plan", a plan other than a preliminary or tentative plan for the  
107 acquisition, clearance, reconstruction, rehabilitation, renewal or future use of a land clearance  
108 project area, and shall be sufficiently complete to comply with subdivision (4) of section 99.430  
109 and shall be in compliance with a "workable program" for the city as a whole and wherever used  
110 in sections 99.300 to 99.660 the words "redemption plan" shall also mean and include "urban  
111 renewal plan" as defined in this section;

112 (21) "Urban renewal plan", a plan as it exists from time to time, for an urban renewal  
113 project, which plan shall conform to the general plan for the municipality as a whole; and shall  
114 be sufficiently complete to indicate such land acquisition, demolition and removal of structures,  
115 redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the area  
116 of the urban renewal project, zoning and planning changes, if any, land uses, maximum densities,  
117 building requirements, and the relationship of the plan to definite local objectives respecting  
118 appropriate land uses, improved traffic, public transportation, public utilities, recreational and  
119 community facilities, and other public improvements; an urban renewal plan shall be prepared  
120 and approved pursuant to the same procedure as provided with respect to a redevelopment plan;

121 (22) "Urban renewal project", any surveys, plans, undertakings and activities for the  
122 elimination and for the prevention of the spread or development of insanitary, blighted,  
123 deteriorated or deteriorating areas and may involve any work or undertaking for such purpose

124 constituting a land clearance project or any rehabilitation or conservation work, or any  
125 combination of such undertaking or work in accordance with an urban renewal project; for this  
126 purpose, "rehabilitation or conservation work" may include:

127 (a) Carrying out plans for a program of voluntary or compulsory repair and rehabilitation  
128 of buildings or other improvements;

129 (b) Acquisition of real property and demolition, removal or rehabilitation of buildings  
130 and improvements thereon where necessary to eliminate unhealthful, insanitary or unsafe  
131 conditions, lessen density, eliminate uneconomic, obsolete or other uses detrimental to the public  
132 welfare, or to otherwise remove or prevent the spread of blight or deterioration, or to provide  
133 land for needed public facilities;

134 (c) To develop, construct, reconstruct, rehabilitate, repair or improve residences, houses,  
135 buildings, structures and other facilities;

136 (d) Installation, construction, or reconstruction of streets, utilities, parks, playgrounds,  
137 and other improvements necessary for carrying out the objectives of the urban renewal project;  
138 and

139 (e) The disposition, for uses in accordance with the objectives of the urban renewal  
140 project, of any property or part thereof acquired in the area of the project; but such disposition  
141 shall be in the manner prescribed in this law for the disposition of property in a land clearance  
142 project area;

143 (23) "Workable program", an official plan of action, as it exists from time to time, for  
144 effectively dealing with the problem in insanitary, blighted, deteriorated or deteriorating areas  
145 within the community and for the establishment and preservation of a well-planned community  
146 with well-organized residential neighborhoods of decent homes and suitable living environment  
147 for adequate family life, for utilizing appropriate private and public resources to eliminate and  
148 prevent the development or spread of insanitary, blighted, deteriorated or deteriorating areas, to  
149 encourage needed urban rehabilitation, to provide for the redevelopment of blighted, insanitary,  
150 deteriorated and deteriorating areas, or to undertake such of the aforesaid activities or other  
151 feasible community activities as may be suitably employed to achieve the objectives of such a  
152 program.

523.271. [1. No condemning authority shall acquire private property through the process  
2 of eminent domain for solely economic development purposes.

3 2. For the purposes of this section, "economic development" shall mean a use of a  
4 specific piece of property or properties which would provide an increase in the tax base, tax  
5 revenues, employment, and general economic health, and does not include the elimination of  
6 blighted, substandard, or insanitary conditions, or conditions rendering the property or its  
7 surrounding area a conservation area as defined in section 99.805.] **Notwithstanding any other**

8 provision of law to the contrary, neither this state nor any political subdivision thereof nor  
9 any other condemning entity shall use eminent domain unless it is necessary for a public  
10 use. The term "public use" shall only mean the possession, occupation, and enjoyment of  
11 the land by the general public or by public agencies, the use of land for the creation of  
12 functioning of public utilities or common carriers, or the acquisition of abandoned or  
13 blighted property. The public benefits of economic development, including an increase in  
14 tax base, tax revenues, employment, or general economic health, standing alone, shall not  
15 constitute a public use.

523.274. [1. Where eminent domain authority is based upon a determination that a  
2 defined area is blighted, the condemning authority shall individually consider each parcel of  
3 property in the defined area with regard to whether the property meets the relevant statutory  
4 definition of blight. If the condemning authority finds a preponderance of the defined  
5 redevelopment area is blighted, it may proceed with condemnation of any parcels in such area.  
6 2. No action to acquire property by eminent domain within a redevelopment area shall  
7 be commenced later than five years from the date of the legislative determination, by ordinance,  
8 or otherwise, that the property is blighted, substandard, contains insanitary conditions, or is  
9 eligible for classification within a conservation area as defined in section 99.805. However, such  
10 determination may be renewed for successive five-year periods by the legislative body.] **The**  
11 **condemning authority, after making a finding that each parcel of property in the area to**  
12 **be condemned meets the relevant statutory definition of blighted, shall file a condemnation**  
13 **petition regarding land deemed to be blighted within five years after the redevelopment**  
14 **plan is authorized. If no such petition is filed within the five-year period, or if any parcel**  
15 **of property in the area is determined not to meet the relevant statutory definition of**  
16 **blighted in section 99.320, the authority to acquire the property shall expire. Future**  
17 **acquisition of the property after the expiration of the five years shall require the**  
18 **reauthorization of such project by the condemning authority.**

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