

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for Senate Committee Substitute for Senate Bill No. 421,
2 Page 5, Section 37.005, Line 154, by inserting after all of said section and line the following:

3
4 "99.805. As used in sections 99.800 to 99.865, unless the context clearly requires otherwise,
5 the following terms shall mean:

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

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

15 (3) "Conservation area", any improved area within the boundaries of a redevelopment area
16 located within the territorial limits of a municipality in which fifty percent or more of the structures
17 in the area have an age of thirty-five years or more. Such an area is not yet a blighted area but is
18 detrimental to the public health, safety, morals, or welfare and may become a blighted area because
19 of any one or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of
20 individual structures; presence of structures below minimum code standards; abandonment;
21 excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light
22 or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout;
23 depreciation of physical maintenance; and lack of community planning. A conservation area shall
24 meet at least three of the factors provided in this subdivision for projects approved on or after
25 December 23, 1997;

26 (4) "Economic activity taxes", the total additional revenue from taxes which are imposed by
27 a municipality and other taxing districts, and which are generated by economic activities within a
28 redevelopment area over the amount of such taxes generated by economic activities within such
29 redevelopment area in the calendar year prior to the adoption of the ordinance designating such a
30 redevelopment area, while tax increment financing remains in effect, but excluding personal
31 property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of
32 hotels and motels, licenses, fees or special assessments. For redevelopment projects or
33 redevelopment plans approved after December 23, 1997, if a retail establishment relocates within
34 one year from one facility to another facility within the same county and the governing body of the
35 municipality finds that the relocation is a direct beneficiary of tax increment financing, then for
36 purposes of this definition, the economic activity taxes generated by the retail establishment shall

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1 equal the total additional revenues from economic activity taxes which are imposed by a
 2 municipality or other taxing district over the amount of economic activity taxes generated by the
 3 retail establishment in the calendar year prior to its relocation to the redevelopment area;

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

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

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

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

13 (6) "Gambling establishment", an excursion gambling boat as defined in section 313.800
 14 and any related business facility including any real property improvements which are directly and
 15 solely related to such business facility, whose sole purpose is to provide goods or services to an
 16 excursion gambling boat and whose majority ownership interest is held by a person licensed to
 17 conduct gambling games on an excursion gambling boat or licensed to operate an excursion
 18 gambling boat as provided in sections 313.800 to 313.850. This subdivision shall be applicable
 19 only to a redevelopment area designated by ordinance adopted after December 23, 1997;

20 (7) "Greenfield area", any vacant, unimproved, or agricultural property that is located
 21 wholly outside the incorporated limits of a city, town, or village, or that is substantially surrounded
 22 by contiguous properties with agricultural zoning classifications or uses unless said property was
 23 annexed into the incorporated limits of a city, town, or village ten years prior to the adoption of the
 24 ordinance approving the redevelopment plan for such greenfield area;

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

28 (9) "Obligations", bonds, loans, debentures, notes, special certificates, or other evidences of
 29 indebtedness issued by a municipality to carry out a redevelopment project or to refund outstanding
 30 obligations;

31 (10) "Ordinance", an ordinance enacted by the governing body of a city, town, or village or
 32 a county or an order of the governing body of a county whose governing body is not authorized to
 33 enact ordinances;

34 (11) "Payment in lieu of taxes", those estimated revenues from real property in the area
 35 selected for a redevelopment project, which revenues according to the redevelopment project or plan
 36 are to be used for a private use, which taxing districts would have received had a municipality not
 37 adopted tax increment allocation financing, and which would result from levies made after the time
 38 of the adoption of tax increment allocation financing during the time the current equalized value of
 39 real property in the area selected for the redevelopment project exceeds the total initial equalized
 40 value of real property in such area until the designation is terminated pursuant to subsection 2 of
 41 section 99.850;

42 (12) "Previously commercial land", an area that for the previous forty years was
 43 continuously assessed as utility, industrial, commercial, railroad, and all other real property and not
 44 as residential property or agricultural or horticultural property as those subclasses are named under
 45 article X, section 4(b) of the Constitution of Missouri;

46 (13) "Redevelopment area", an area designated by a municipality, in respect to which:

47 (a) The municipality has made a finding that there exist conditions which cause the area to
 48 be classified as a blighted area, a conservation area, an economic development area, an enterprise

1 zone pursuant to sections 135.200 to 135.256, or a combination thereof~~[, which]~~ ;

2 (b) Is located in:

3 a. Any county of the first classification with more than ninety-two thousand but fewer than
4 one hundred one thousand inhabitants;

5 b. Any county of the first classification with more than two hundred thousand but fewer
6 than two hundred sixty thousand inhabitants;

7 c. Any county of the first classification with more than two hundred sixty thousand but
8 fewer than three hundred thousand inhabitants;

9 d. Any county with a charter form of government and with more than six hundred thousand
10 but fewer than seven hundred thousand inhabitants;

11 e. Any county with a charter form of government and with more than two hundred thousand
12 but fewer than three hundred fifty thousand inhabitants;

13 f. Any county of the first classification with more than eighty-three thousand but fewer than
14 ninety-two thousand inhabitants and with a city of the fourth classification with more than four
15 thousand five hundred but fewer than five thousand inhabitants as the county seat;

16 g. Any county with a charter form of government and with more than three hundred
17 thousand but fewer than four hundred fifty thousand inhabitants;

18 h. A city not within a county; or

19 i. Any county with a charter form of government and with more than nine hundred fifty
20 thousand inhabitants;

21 (c) Is previously commercial land; and

22 (d) Whose area includes only those parcels of real property directly and substantially
23 benefitted by the proposed redevelopment project;

24 ~~[(13)]~~ (14) "Redevelopment plan", the comprehensive program of a municipality for
25 redevelopment intended by the payment of redevelopment costs to reduce or eliminate those
26 conditions, the existence of which qualified the redevelopment area as a blighted area, conservation
27 area, economic development area, or combination thereof, and to thereby enhance the tax bases of
28 the taxing districts which extend into the redevelopment area. Each redevelopment plan shall
29 conform to the requirements of section 99.810;

30 ~~[(14)]~~ (15) "Redevelopment project", any development project within a redevelopment area
31 in furtherance of the objectives of the redevelopment plan; any such redevelopment project shall
32 include a legal description of the area selected for the redevelopment project;

33 ~~[(15)]~~ (16) "Redevelopment project costs" include the sum total of all reasonable or
34 necessary costs incurred or estimated to be incurred, and any such costs incidental to a
35 redevelopment plan or redevelopment project, as applicable. Such costs include, but are not limited
36 to, the following:

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

38 (b) Professional service costs, including, but not limited to, architectural, engineering, legal,
39 marketing, financial, planning or special services. Except the reasonable costs incurred by the
40 commission established in section 99.820 for the administration of sections 99.800 to 99.865, such
41 costs shall be allowed only as an initial expense which, to be recoverable, shall be included in the
42 costs of a redevelopment plan or project;

43 (c) Property assembly costs, including, but not limited to:

44 a. Acquisition of land and other property, real or personal, or rights or interests therein;

45 b. Demolition of buildings; and

46 c. The clearing and grading of land;

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

- 1 (e) Initial costs for an economic development area;
- 2 (f) Costs of construction of public works or improvements;
- 3 (g) Financing costs, including, but not limited to, all necessary and incidental expenses
4 related to the issuance of obligations, and which may include payment of interest on any obligations
5 issued pursuant to sections 99.800 to 99.865 accruing during the estimated period of construction of
6 any redevelopment project for which such obligations are issued and for not more than eighteen
7 months thereafter, and including reasonable reserves related thereto;
- 8 (h) All or a portion of a taxing district's capital costs resulting from the redevelopment
9 project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment
10 plan and project, to the extent the municipality by written agreement accepts and approves such
11 costs;
- 12 (i) Relocation costs to the extent that a municipality determines that relocation costs shall be
13 paid or are required to be paid by federal or state law;
- 14 (j) Payments in lieu of taxes;
- 15 ~~[(16)]~~ (17) "Special allocation fund", the fund of a municipality or its commission which
16 contains at least two separate segregated accounts for each redevelopment plan, maintained by the
17 treasurer of the municipality or the treasurer of the commission into which payments in lieu of taxes
18 are deposited in one account, and economic activity taxes and other revenues are deposited in the
19 other account;
- 20 ~~[(17)]~~ (18) "Special taxing district", a fire protection district or other political subdivision
21 that levies a sales tax whose revenue is dedicated to a purpose within such district. A special taxing
22 district shall include a municipality or county that levies a sales tax whose revenue is dedicated to a
23 purpose other than the municipality's or county's general revenue including, but not limited to,
24 education and public safety;
- 25 (19) "Taxing districts", any political subdivision of this state having the power to levy taxes;
- 26 ~~[(18)]~~ (20) "Taxing districts' capital costs", those costs of taxing districts for capital
27 improvements that are found by the municipal governing bodies to be necessary and to directly
28 result from the redevelopment project; and
- 29 ~~[(19)]~~ (21) "Vacant land", any parcel or combination of parcels of real property not used for
30 industrial, commercial, or residential buildings.
- 31 99.820. 1. A municipality may:
- 32 (1) By ordinance introduced in the governing body of the municipality within fourteen to
33 ninety days from the completion of the hearing required in section 99.825, approve redevelopment
34 plans and redevelopment projects, and designate redevelopment project areas pursuant to the notice
35 and hearing requirements of sections 99.800 to 99.865. No redevelopment project shall be approved
36 unless a redevelopment plan has been approved and a redevelopment area has been designated prior
37 to or concurrently with the approval of such redevelopment project and the area selected for the
38 redevelopment project shall include only those parcels of real property and improvements thereon
39 directly and substantially benefitted by the proposed redevelopment project improvements;
- 40 (2) Make and enter into all contracts necessary or incidental to the implementation and
41 furtherance of its redevelopment plan or project;
- 42 (3) Pursuant to a redevelopment plan, subject to any constitutional limitations, acquire by
43 purchase, donation, lease or, as part of a redevelopment project, eminent domain, own, convey,
44 lease, mortgage, or dispose of land and other property, real or personal, or rights or interests therein,
45 and grant or acquire licenses, easements and options with respect thereto, all in the manner and at
46 such price the municipality or the commission determines is reasonably necessary to achieve the
47 objectives of the redevelopment plan. No conveyance, lease, mortgage, disposition of land or other
48 property, acquired by the municipality, or agreement relating to the development of the property

1 shall be made except upon the adoption of an ordinance by the governing body of the municipality.
2 Each municipality or its commission shall establish written procedures relating to bids and proposals
3 for implementation of the redevelopment projects. Furthermore, no conveyance, lease, mortgage, or
4 other disposition of land or agreement relating to the development of property shall be made
5 without making public disclosure of the terms of the disposition and all bids and proposals made in
6 response to the municipality's request. Such procedures for obtaining such bids and proposals shall
7 provide reasonable opportunity for any person to submit alternative proposals or bids;

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

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

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

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

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

19 (9) Acquire and construct public facilities within a redevelopment area;

20 (10) Incur redevelopment costs and issue obligations;

21 (11) Make payment in lieu of taxes, or a portion thereof, to taxing districts;

22 (12) Disburse surplus funds from the special allocation fund to taxing districts as follows:

23 (a) Such surplus payments in lieu of taxes shall be distributed to taxing districts within the
24 redevelopment area which impose ad valorem taxes on a basis that is proportional to the current
25 collections of revenue which each taxing district receives from real property in the redevelopment
26 area;

27 (b) Surplus economic activity taxes shall be distributed to taxing districts in the
28 redevelopment area which impose economic activity taxes, on a basis that is proportional to the
29 amount of such economic activity taxes the taxing district would have received from the
30 redevelopment area had tax increment financing not been adopted;

31 (c) Surplus revenues, other than payments in lieu of taxes and economic activity taxes,
32 deposited in the special allocation fund, shall be distributed on a basis that is proportional to the
33 total receipt of such other revenues in such account in the year prior to disbursement;

34 (13) If any member of the governing body of the municipality, a member of a commission
35 established pursuant to subsection 2 or 3 of this section, or an employee or consultant of the
36 municipality, involved in the planning and preparation of a redevelopment plan, or redevelopment
37 project for a redevelopment area or proposed redevelopment area, owns or controls an interest,
38 direct or indirect, in any property included in any redevelopment area, or proposed redevelopment
39 area, which property is designated to be acquired or improved pursuant to a redevelopment project,
40 he or she shall disclose the same in writing to the clerk of the municipality, and shall also so disclose
41 the dates, terms, and conditions of any disposition of any such interest, which disclosures shall be
42 acknowledged by the governing body of the municipality and entered upon the minutes books of the
43 governing body of the municipality. If an individual holds such an interest, then that individual
44 shall refrain from any further official involvement in regard to such redevelopment plan,
45 redevelopment project or redevelopment area, from voting on any matter pertaining to such
46 redevelopment plan, redevelopment project or redevelopment area, or communicating with other
47 members concerning any matter pertaining to that redevelopment plan, redevelopment project or
48 redevelopment area. Furthermore, no such member or employee shall acquire any interest, direct or

indirect, in any property in a redevelopment area or proposed redevelopment area after either (a) such individual obtains knowledge of such plan or project, or (b) first public notice of such plan, project or area pursuant to section 99.830, whichever first occurs;

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

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

(1) ~~[In]~~ For all municipalities, nine members as follows:

(a) Two members shall be appointed by the school boards whose districts are included within the redevelopment plan or redevelopment area. Such members shall be appointed in any manner agreed upon by the affected districts;

~~[(2) In all municipalities]~~ (b) One member shall be appointed, in any manner agreed upon by the affected districts, to represent all special taxing districts or other districts levying ad valorem taxes within the area selected for a redevelopment project or the redevelopment area, excluding representatives of the governing body of the municipality; and

~~[(3) In all municipalities]~~ (c) Six members shall be appointed by the chief elected officer of the municipality, with the consent of the majority of the governing body of the municipality. If the municipality is a city, village, or incorporated town located in a county, then no more than four members shall be appointed by the chief elected officer of such city, village, or incorporated town, and the remainder shall be appointed by the chief elected officer of the county; and

~~[(4)]~~ (2) In ~~[all municipalities which are]~~ addition to the members under subdivision (1) of this subsection, any municipality that is not [counties] a county and not in a [first-class] county with a charter form of government having a population in excess of nine hundred thousand[;] shall have two additional members [shall be] appointed by the county of such municipality in the same manner as members are appointed in paragraph (c) of subdivision [(3)] (1) of this subsection; or

~~[(5)]~~ (3) In addition to the members under subdivision (1) of this subsection, a municipality [which] that is a county with a charter form of government having a population in excess of nine hundred thousand[;] shall have three additional members [shall be] appointed by the cities in the county which have tax increment financing districts in a manner in which the cities shall agree; or

~~[(6)]~~ (4) In addition to the members under subdivision (1) of this subsection, a municipality [which] that is located in [the first-class] a county with a charter form of government having a population in excess of nine hundred thousand[;] shall have three additional members [shall be] appointed by the county of such municipality in the same manner as members are appointed in paragraph (c) of subdivision [(3)] (1) of this subsection[;]

~~————(7) .~~

At the option of the members appointed by the municipality, the members who are appointed by the school boards and other taxing districts may serve on the commission for a term to coincide with the length of time a redevelopment project, redevelopment plan or designation of a redevelopment area is considered for approval by the commission, or for a definite term pursuant to this subdivision. If

the members representing school districts and other taxing districts are appointed for a term coinciding with the length of time a redevelopment project, plan or area is approved, such term shall terminate upon final approval of the project, plan or designation of the area by the governing body of the municipality. Thereafter the commission shall consist of the six members appointed by the municipality, except that members representing school boards and other taxing districts shall be appointed as provided in this section prior to any amendments to any redevelopment plans, redevelopment projects or designation of a redevelopment area. If any school district or other taxing jurisdiction fails to appoint members of the commission within thirty days of receipt of written notice of a proposed redevelopment plan, redevelopment project or designation of a redevelopment area, the remaining members may proceed to exercise the power of the commission. Of the members first appointed by the municipality, two shall be designated to serve for terms of two years, two shall be designated to serve for a term of three years and two shall be designated to serve for a term of four years from the date of such initial appointments. Thereafter, the members appointed by the municipality shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms in the same manner as were the original appointments. Members appointed by the county executive or presiding commissioner prior to August 28, 2008, shall continue their service on the commission established in subsection 3 of this section without further appointment unless the county executive or presiding commissioner appoints a new member or members.

3. Beginning August 28, 2008:

(1) In lieu of a commission created under subsection 2 of this section, any city, town, or village in a county with a charter form of government and with more than one million inhabitants, in a county with a charter form of government and with more than two hundred fifty thousand but fewer than three hundred fifty thousand inhabitants, or in a county of the first classification with more than one hundred eighty-five thousand but fewer than two hundred thousand inhabitants shall, prior to adoption of an ordinance approving the designation of a redevelopment area or approving a redevelopment plan or redevelopment project, create a commission consisting of twelve persons to be appointed as follows:

(a) Six members appointed either by the county executive or presiding commissioner; notwithstanding any provision of law to the contrary, no approval by the county's governing body shall be required;

(b) Three members appointed by the cities, towns, or villages in the county which have tax increment financing districts in a manner in which the chief elected officials of such cities, towns, or villages agree;

(c) Two members appointed by the school boards whose districts are included in the county in a manner in which the school boards agree; and

(d) One member to represent all other districts levying ad valorem taxes in the proposed redevelopment area in a manner in which all such districts agree.

No city, town, or village subject to this subsection shall create or maintain a commission under subsection 2 of this section, except as necessary to complete a public hearing for which notice under section 99.830 has been provided prior to August 28, 2008, and to vote or make recommendations relating to redevelopment plans, redevelopment projects, or designation of redevelopment areas, or amendments thereto that were the subject of such public hearing;

(2) Members appointed to the commission created under this subsection, except those six members appointed by either the county executive or presiding commissioner, shall serve on the commission for a term to coincide with the length of time a redevelopment project, redevelopment plan, or designation of a redevelopment area is considered for approval by the commission. The six

members appointed by either the county executive or the presiding commissioner shall serve on all such commissions until replaced. The city, town, or village that creates a commission under this subsection shall send notice thereof by certified mail to the county executive or presiding commissioner, to the school districts whose boundaries include any portion of the proposed redevelopment area, and to the other taxing districts whose boundaries include any portion of the proposed redevelopment area. The city, town, or village that creates the commission shall also be solely responsible for notifying all other cities, towns, and villages in the county that have tax increment financing districts and shall exercise all administrative functions of the commission. The school districts receiving notice from the city, town, or village shall be solely responsible for notifying the other school districts within the county of the formation of the commission. If the county, school board, or other taxing district fails to appoint members to the commission within thirty days after the city, town, or village sends the written notice, as provided herein, that it has convened such a commission or within thirty days of the expiration of any such member's term, the remaining duly appointed members of the commission may exercise the full powers of the commission.

4. (1) Any commission created under this section, subject to approval of the governing body of the municipality, may exercise the powers enumerated in sections 99.800 to 99.865, except final approval of plans, projects and designation of redevelopment areas. The commission shall hold public hearings and provide notice pursuant to sections 99.825 and 99.830.

(2) Any commission created under subsection 2 of this section shall vote on all proposed redevelopment plans, redevelopment projects and designations of redevelopment areas, and amendments thereto, within thirty days following completion of the hearing on any such plan, project or designation and shall make recommendations to the governing body within ninety days of the hearing referred to in section 99.825 concerning the adoption of or amendment to redevelopment plans and redevelopment projects and the designation of redevelopment areas. The requirements of subsection 2 of this section and this subsection shall not apply to redevelopment projects upon which the required hearings have been duly held prior to August 31, 1991.

(3) Any commission created under subsection 3 of this section shall, within fifteen days of the receipt of a redevelopment plan meeting the minimum requirements of section 99.810, as determined by counsel to the city, town, or village creating the commission and a request by the applicable city, town, or village for a public hearing, fix a time and place for the public hearing referred to in section 99.825. The public hearing shall be held no later than seventy-five days from the commission's receipt of such redevelopment plan and request for public hearing. The commission shall vote and make recommendations to the governing body of the city, town, or village requesting the public hearing on all proposed redevelopment plans, redevelopment projects, and designations of redevelopment areas, and amendments thereto within thirty days following the completion of the public hearing. A recommendation of approval shall only be deemed to occur if a majority of the commissioners voting on such plan, project, designation, or amendment thereto vote for approval. A tied vote shall be considered a recommendation in opposition. If the commission fails to vote a recommendation for approval within thirty days following the completion of the public hearing referred to in section 99.825 concerning the proposed redevelopment plan, redevelopment project, or designation of redevelopment area, or amendments thereto, such plan, project, designation, or amendment thereto shall be deemed rejected by the commission.

5. Beginning August 28, 2017:

(1) All redevelopment plans, before final approval of the project, shall obtain an opinion from the department of economic development as to whether the redevelopment plan is financially feasible without economic activity taxes and payments in lieu of taxes;

(2) The department shall assume that the redevelopment plan is financially feasible without

1 economic activity taxes and payments in lieu of taxes, and the burden shall be on the proponents of
 2 the redevelopment plan to show otherwise;

3 (3) No redevelopment plan that the department of economic development determines is
 4 feasible without economic activity taxes and payments in lieu of taxes shall be implemented;

5 (4) The department of economic development may promulgate rules to implement the
 6 provisions of this subsection. Any rule or portion of a rule, as that term is defined in section
 7 536.010, that is created under the authority delegated in this section shall become effective only if it
 8 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
 9 536.028. This section and chapter 536 are nonseverable, and if any of the powers vested with the
 10 general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and
 11 annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any
 12 rule proposed or adopted after August 28, 2017, shall be invalid and void.

13 6. It shall be the policy of the state that each redevelopment plan or project of a
 14 municipality be carried out with full transparency to the public. The records of the tax increment
 15 financing commission including, but not limited to, commission votes and actions, meeting minutes,
 16 summaries of witness testimony, data, and reports submitted to the commission shall be retained by
 17 the governing body of the municipality that created the commission and shall be made available to
 18 the public in accordance with chapter 610.

19 99.843. Notwithstanding the provisions of sections 99.800 to 99.865 to the contrary, no new
 20 tax increment financing project shall be authorized in any greenfield area, as such term is defined in
 21 section 99.805~~], that is located within a city not within a county or any county subject to the~~
 22 ~~authority of the East-West Gateway Council of Governments. Municipalities not subject to the~~
 23 ~~authority of the East-West Gateway Council of Governments may authorize tax increment finance~~
 24 ~~projects in greenfield areas].~~

25 99.845. 1. A municipality, either at the time a redevelopment project is approved or, in the
 26 event a municipality has undertaken acts establishing a redevelopment plan and redevelopment
 27 project and has designated a redevelopment area after the passage and approval of sections 99.800
 28 to 99.865 but prior to August 13, 1982, which acts are in conformance with the procedures of
 29 sections 99.800 to 99.865, may adopt tax increment allocation financing by passing an ordinance
 30 providing that after the total equalized assessed valuation of the taxable real property in a
 31 redevelopment project exceeds the certified total initial equalized assessed valuation of the taxable
 32 real property in the redevelopment project, the ad valorem taxes, and payments in lieu of taxes, if
 33 any, arising from the levies upon taxable real property in such redevelopment project by taxing
 34 districts and tax rates determined in the manner provided in subsection 2 of section 99.855 each year
 35 after the effective date of the ordinance until redevelopment costs have been paid shall be divided as
 36 follows:

37 (1) That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or
 38 parcel of real property which is attributable to the initial equalized assessed value of each such
 39 taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project
 40 shall be allocated to and, when collected, shall be paid by the county collector to the respective
 41 affected taxing districts in the manner required by law in the absence of the adoption of tax
 42 increment allocation financing;

43 (2) (a) Payments in lieu of taxes attributable to the increase in the current equalized
 44 assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for
 45 the redevelopment project and any applicable penalty and interest over and above the initial
 46 equalized assessed value of each such unit of property in the area selected for the redevelopment
 47 project shall be allocated to and, when collected, shall be paid to the municipal treasurer who shall
 48 deposit such payment in lieu of taxes into a special fund called the "Special Allocation Fund" of the

1 municipality for the purpose of paying redevelopment costs and obligations incurred in the payment
 2 thereof. Beginning August 28, 2014, if the voters in a taxing district vote to approve an increase in
 3 such taxing district's levy rate for ad valorem tax on real property, any additional revenues generated
 4 within an existing redevelopment project area that are directly attributable to the newly voter-
 5 approved incremental increase in such taxing district's levy rate shall not be considered payments in
 6 lieu of taxes subject to deposit into a special allocation fund without the consent of such taxing
 7 district. Revenues will be considered directly attributable to the newly voter-approved incremental
 8 increase to the extent that they are generated from the difference between the taxing district's actual
 9 levy rate currently imposed and the maximum voter-approved levy rate at the time that the
 10 redevelopment project was adopted. Payments in lieu of taxes which are due and owing shall
 11 constitute a lien against the real estate of the redevelopment project from which they are derived and
 12 shall be collected in the same manner as the real property tax, including the assessment of penalties
 13 and interest where applicable. The municipality may, in the ordinance, pledge the funds in the
 14 special allocation fund for the payment of such costs and obligations and provide for the collection
 15 of payments in lieu of taxes, the lien of which may be foreclosed in the same manner as a special
 16 assessment lien as provided in section 88.861. No part of the current equalized assessed valuation
 17 of each lot, block, tract, or parcel of property in the area selected for the redevelopment project
 18 attributable to any increase above the total initial equalized assessed value of such properties shall
 19 be used in calculating the general state school aid formula provided for in section 163.031 until such
 20 time as all redevelopment costs have been paid as provided for in this section and section 99.850[-] ;

21 (b) Notwithstanding any provisions of this section to the contrary, for purposes of
 22 determining the limitation on indebtedness of local government pursuant to Article VI, Section
 23 26(b) of the Missouri Constitution, the current equalized assessed value of the property in an area
 24 selected for redevelopment attributable to the increase above the total initial equalized assessed
 25 valuation shall be included in the value of taxable tangible property as shown on the last completed
 26 assessment for state or county purposes[-] ;

27 (c) The county assessor shall include the current assessed value of all property within the
 28 taxing district in the aggregate valuation of assessed property entered upon the assessor's book and
 29 verified pursuant to section 137.245, and such value shall be utilized for the purpose of the debt
 30 limitation on local government pursuant to Article VI, Section 26(b) of the Missouri Constitution;

31 (3) For purposes of this section, "levies upon taxable real property in such redevelopment
 32 project by taxing districts" shall not include the blind pension fund tax levied under the authority of
 33 Article III, Section 38(b) of the Missouri Constitution, or the merchants' and manufacturers'
 34 inventory replacement tax levied under the authority of subsection 2 of Section 6 of Article X of the
 35 Missouri Constitution, except in redevelopment project areas in which tax increment financing has
 36 been adopted by ordinance pursuant to a plan approved by vote of the governing body of the
 37 municipality taken after August 13, 1982, and before January 1, 1998;

38 (4) The board or body that oversees a special taxing district, as that term is defined under
 39 section 99.805, may elect to have the property or sales taxes levied by such district excluded from a
 40 tax increment allocation financing project or plan by passing a resolution by two-thirds majority
 41 prior to the time the project or plan is adopted or approved by ordinance. At least ten days prior to
 42 the vote on the resolution, the board shall post notice of and hold a public hearing. If the resolution
 43 passes, the board shall notify the director of revenue and county collector. If the resolution passes,
 44 subdivisions (1) and (2) of this subsection shall not apply to any tax levied by the special taxing
 45 district, and all revenue from such tax shall be allocated to the district and shall not be allocated to
 46 redevelopment costs and obligations; and

47 (5) A school board of a school district may elect to have the portion of property tax revenue
 48 allocated to the school district by a county or municipality excluded from a tax increment allocation

financing project or plan by passing a resolution by two-thirds majority prior to the time the project or plan is adopted or approved by ordinance. At least ten days prior to the vote on the resolution, the board shall post notice of and hold a public hearing. If the resolution passes, the board shall notify the director of revenue and county collector. If the resolution passes, subdivision (2) of this subsection shall not apply to the percentage of property tax revenue equal to the average percentage of property tax revenue allocated to the school district over the preceding five years, and such percentage of revenue attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property within the redevelopment project area shall be allocated to the school district and shall not be allocated to redevelopment costs and obligations.

2. In addition to the payments in lieu of taxes described in subdivision (2) of subsection 1 of this section, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after July 12, 1990, and prior to August 31, 1991, fifty percent of the total additional revenue from taxes, penalties and interest imposed by the municipality, or other taxing districts, which are generated by economic activities within the area of the redevelopment project over the amount of such taxes generated by economic activities within the area of the redevelopment project in the calendar year prior to the adoption of the redevelopment project by ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to section 70.500, licenses, fees or special assessments other than payments in lieu of taxes and any penalty and interest thereon, or, effective January 1, 1998, taxes levied pursuant to section 94.660, for the purpose of public transportation, shall be allocated to, and paid by the local political subdivision collecting officer to the treasurer or other designated financial officer of the municipality, who shall deposit such funds in a separate segregated account within the special allocation fund. Any provision of an agreement, contract or covenant entered into prior to July 12, 1990, between a municipality and any other political subdivision which provides for an appropriation of other municipal revenues to the special allocation fund shall be and remain enforceable.

3. In addition to the payments in lieu of taxes described in subdivision (2) of subsection 1 of this section, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after August 31, 1991, fifty percent of the total additional revenue from taxes, penalties and interest which are imposed by the municipality or other taxing districts, and which are generated by economic activities within the area of the redevelopment project over the amount of such taxes generated by economic activities within the area of the redevelopment project in the calendar year prior to the adoption of the redevelopment project by ordinance, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to section 70.500, taxes levied for the purpose of public transportation pursuant to section 94.660, taxes imposed on sales pursuant to subsection 2 of section 67.1712 for the purpose of operating and maintaining a metropolitan park and recreation district, licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, any sales tax imposed by a county with a charter form of government and with more than six hundred thousand but fewer than seven hundred thousand inhabitants, for the purpose of sports stadium improvement or levied by such county under section 238.410 for the purpose of the county transit authority operating transportation facilities, or for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after August 28, 2013, taxes imposed on sales under and pursuant to section 67.700 or 650.399 for the purpose of emergency communication systems, shall be allocated to, and paid by the local political subdivision collecting officer to the treasurer or other designated financial officer of the municipality, who shall deposit such funds in a separate segregated account within the special allocation fund. Beginning August 28, 2014, if the voters in a taxing district vote to approve an

1 increase in such taxing district's sales tax or use tax, other than the renewal of an expiring sales or
 2 use tax, any additional revenues generated within an existing redevelopment project area that are
 3 directly attributable to the newly voter-approved incremental increase in such taxing district's levy
 4 rate shall not be considered economic activity taxes subject to deposit into a special allocation fund
 5 without the consent of such taxing district.

6 4. Beginning January 1, 1998, for redevelopment plans and projects adopted or
 7 redevelopment projects approved by ordinance and which have complied with subsections 4 to 12 of
 8 this section, in addition to the payments in lieu of taxes and economic activity taxes described in
 9 subsections 1, 2 and 3 of this section, up to fifty percent of the new state revenues, as defined in
 10 subsection 8 of this section, estimated for the businesses within the project area and identified by the
 11 municipality in the application required by subsection 10 of this section, over and above the amount
 12 of such taxes reported by businesses within the project area as identified by the municipality in their
 13 application prior to the approval of the redevelopment project by ordinance, while tax increment
 14 financing remains in effect, may be available for appropriation by the general assembly as provided
 15 in subsection 10 of this section to the department of economic development supplemental tax
 16 increment financing fund, from the general revenue fund, for distribution to the treasurer or other
 17 designated financial officer of the municipality with approved plans or projects.

18 5. The treasurer or other designated financial officer of the municipality with approved
 19 plans or projects shall deposit such funds in a separate segregated account within the special
 20 allocation fund established ~~[pursuant to section]~~ under sections 99.805 to 99.865.

21 6. No transfer from the general revenue fund to the Missouri supplemental tax increment
 22 financing fund shall be made unless an appropriation is made from the general revenue fund for that
 23 purpose. No municipality shall commit any state revenues prior to an appropriation being made for
 24 that project. For all redevelopment plans or projects adopted or approved after December 23, 1997,
 25 appropriations from the new state revenues shall not be distributed from the Missouri supplemental
 26 tax increment financing fund into the special allocation fund unless the municipality's
 27 redevelopment plan ensures that one hundred percent of payments in lieu of taxes and fifty percent
 28 of economic activity taxes generated by the project shall be used for eligible redevelopment project
 29 costs while tax increment financing remains in effect. This account shall be separate from the
 30 account into which payments in lieu of taxes are deposited, and separate from the account into
 31 which economic activity taxes are deposited.

32 7. In order for the redevelopment plan or project to be eligible to receive the revenue
 33 described in subsection 4 of this section, the municipality shall comply with the requirements of
 34 subsection 10 of this section prior to the time the project or plan is adopted or approved by
 35 ordinance. The director of the department of economic development and the commissioner of the
 36 office of administration may waive the requirement that the municipality's application be submitted
 37 prior to the redevelopment plan's or project's adoption or the redevelopment plan's or project's
 38 approval by ordinance.

39 8. For purposes of this section, "new state revenues" means:

40 (1) The incremental increase in the general revenue portion of state sales tax revenues
 41 received pursuant to section 144.020, excluding sales taxes that are constitutionally dedicated, taxes
 42 deposited to the school district trust fund in accordance with section 144.701, sales and use taxes on
 43 motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by law. In no
 44 event shall the incremental increase include any amounts attributable to retail sales unless the
 45 municipality or authority has proven to the Missouri development finance board and the department
 46 of economic development and such entities have made a finding that the sales tax increment
 47 attributable to retail sales is from new sources which did not exist in the state during the baseline
 48 year. The incremental increase in the general revenue portion of state sales tax revenues for an

existing or relocated facility shall be the amount that current state sales tax revenue exceeds the state sales tax revenue in the base year as stated in the redevelopment plan as provided in subsection 10 of this section; or

(2) The state income tax withheld on behalf of new employees by the employer pursuant to section 143.221 at the business located within the project as identified by the municipality. The state income tax withholding allowed by this section shall be the municipality's estimate of the amount of state income tax withheld by the employer within the redevelopment area for new employees who fill new jobs directly created by the tax increment financing project.

9. Subsection 4 of this section shall apply only to the following:

(1) Blighted areas located in enterprise zones, pursuant to sections 135.200 to 135.256, blighted areas located in federal empowerment zones, or to blighted areas located in central business districts or urban core areas of cities which districts or urban core areas at the time of approval of the project by ordinance, provided that the enterprise zones, federal empowerment zones or blighted areas contained one or more buildings at least fifty years old; and

(a) Suffered from generally declining population or property taxes over the twenty-year period immediately preceding the area's designation as a project area by ordinance; or

(b) Was a historic hotel located in a county of the first classification without a charter form of government with a population according to the most recent federal decennial census in excess of one hundred fifty thousand and containing a portion of a city with a population according to the most recent federal decennial census in excess of three hundred fifty thousand;

(2) Blighted areas consisting solely of the site of a former automobile manufacturing plant located in any county with a charter form of government and with more than nine hundred fifty thousand inhabitants. For the purposes of this section, "former automobile manufacturing plant" means a redevelopment area containing a minimum of one hundred acres, and such redevelopment area was previously used primarily for the manufacture of automobiles but ceased such manufacturing after the 2007 calendar year; or

(3) Blighted areas consisting solely of the site of a former insurance company national service center containing a minimum of one hundred acres located in any county with a charter form of government and with more than nine hundred fifty thousand inhabitants.

10. The initial appropriation of up to fifty percent of the new state revenues authorized pursuant to subsection 4 of this section shall not be made to or distributed by the department of economic development to a municipality until all of the following conditions have been satisfied:

(1) The director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee have approved a tax increment financing application made by the municipality for the appropriation of the new state revenues. The municipality shall include in the application the following items in addition to the items in section 99.810:

(a) The tax increment financing district or redevelopment area, including the businesses identified within the redevelopment area;

(b) The base year of state sales tax revenues or the base year of state income tax withheld on behalf of existing employees, reported by existing businesses within the project area prior to approval of the redevelopment project;

(c) The estimate of the incremental increase in the general revenue portion of state sales tax revenue or the estimate for the state income tax withheld by the employer on behalf of new employees expected to fill new jobs created within the redevelopment area after redevelopment;

(d) The official statement of any bond issue pursuant to this subsection after December 23, 1997;

(e) An affidavit that is signed by the developer or developers attesting that the provisions of

subdivision (1) of subsection 1 of section 99.810 have been met and specifying that the redevelopment area would not be reasonably anticipated to be developed without the appropriation of the new state revenues;

(f) The cost-benefit analysis required by section 99.810 includes a study of the fiscal impact on the state of Missouri;

(g) The statement of election between the use of the incremental increase of the general revenue portion of the state sales tax revenues or the state income tax withheld by employers on behalf of new employees who fill new jobs created in the redevelopment area;

(h) The name, street and mailing address, and phone number of the mayor or chief executive officer of the municipality;

(i) The street address of the development site;

(j) The three-digit North American Industry Classification System number or numbers characterizing the development project;

(k) The estimated development project costs;

(l) The anticipated sources of funds to pay such development project costs;

(m) Evidence of the commitments to finance such development project costs;

(n) The anticipated type and term of the sources of funds to pay such development project costs;

(o) The anticipated type and terms of the obligations to be issued;

(p) The most recent equalized assessed valuation of the property within the development project area;

(q) An estimate as to the equalized assessed valuation after the development project area is developed in accordance with a development plan;

(r) The general land uses to apply in the development area;

(s) The total number of individuals employed in the development area, broken down by full-time, part-time, and temporary positions;

(t) The total number of full-time equivalent positions in the development area;

(u) The current gross wages, state income tax withholdings, and federal income tax withholdings for individuals employed in the development area;

(v) The total number of individuals employed in this state by the corporate parent of any business benefitting from public expenditures in the development area, and all subsidiaries thereof, as of December thirty-first of the prior fiscal year, broken down by full-time, part-time, and temporary positions;

(w) The number of new jobs to be created by any business benefitting from public expenditures in the development area, broken down by full-time, part-time, and temporary positions;

(x) The average hourly wage to be paid to all current and new employees at the project site, broken down by full-time, part-time, and temporary positions;

(y) For project sites located in a metropolitan statistical area, as defined by the federal Office of Management and Budget, the average hourly wage paid to nonmanagerial employees in this state for the industries involved at the project, as established by the United States Bureau of Labor Statistics;

(z) For project sites located outside of metropolitan statistical areas, the average weekly wage paid to nonmanagerial employees in the county for industries involved at the project, as established by the United States Department of Commerce;

(aa) A list of other community and economic benefits to result from the project;

(bb) A list of all development subsidies that any business benefitting from public expenditures in the development area has previously received for the project, and the name of any

1 other granting body from which such subsidies are sought;

2 (cc) A list of all other public investments made or to be made by this state or units of local
3 government to support infrastructure or other needs generated by the project for which the funding
4 pursuant to this section is being sought;

5 (dd) A statement as to whether the development project may reduce employment at any
6 other site, within or without the state, resulting from automation, merger, acquisition, corporate
7 restructuring, relocation, or other business activity;

8 (ee) A statement as to whether or not the project involves the relocation of work from
9 another address and if so, the number of jobs to be relocated and the address from which they are to
10 be relocated;

11 (ff) A list of competing businesses in the county containing the development area and in
12 each contiguous county;

13 (gg) A market study for the development area;

14 (hh) A certification by the chief officer of the applicant as to the accuracy of the
15 development plan;

16 (2) The methodologies used in the application for determining the base year and
17 determining the estimate of the incremental increase in the general revenue portion of the state sales
18 tax revenues or the state income tax withheld by employers on behalf of new employees who fill
19 new jobs created in the redevelopment area shall be approved by the director of the department of
20 economic development or his or her designee and the commissioner of the office of administration
21 or his or her designee. Upon approval of the application, the director of the department of economic
22 development or his or her designee and the commissioner of the office of administration or his or
23 her designee shall issue a certificate of approval. The department of economic development may
24 request the appropriation following application approval;

25 (3) The appropriation shall be either a portion of the estimate of the incremental increase in
26 the general revenue portion of state sales tax revenues in the redevelopment area or a portion of the
27 estimate of the state income tax withheld by the employer on behalf of new employees who fill new
28 jobs created in the redevelopment area as indicated in the municipality's application, approved by
29 the director of the department of economic development or his or her designee and the
30 commissioner of the office of administration or his or her designee. At no time shall the annual
31 amount of the new state revenues approved for disbursements from the Missouri supplemental tax
32 increment financing fund exceed thirty-two million dollars; provided, however, that such thirty-two
33 million dollar cap shall not apply to redevelopment plans or projects initially listed by name in the
34 applicable appropriations bill after August 28, 2015, which involve either:

35 (a) A former automobile manufacturing plant; or

36 (b) The retention of a federal employer employing over two thousand geospatial intelligence
37 jobs.

38
39 At no time shall the annual amount of the new state revenues for disbursements from the Missouri
40 supplemental tax increment financing fund for redevelopment plans and projects eligible under the
41 provisions of paragraph (a) of this subdivision exceed four million dollars in the aggregate. At no
42 time shall the annual amount of the new state revenues for disbursements from the Missouri
43 supplemental tax increment financing fund for redevelopment plans and projects eligible under the
44 provisions of paragraph (b) of this subdivision exceed twelve million dollars in the aggregate. To
45 the extent a redevelopment plan or project independently meets the eligibility criteria set forth in
46 both paragraphs (a) and (b) of this subdivision, then at no such time shall the annual amount of new
47 state revenues for disbursements from the Missouri supplemental tax increment financing fund for
48 such eligible redevelopment plan or project exceed twelve million dollars in the aggregate;

1 (4) Redevelopment plans and projects receiving new state revenues shall have a duration of
2 up to fifteen years, unless prior approval for a longer term is given by the director of the department
3 of economic development or his or her designee and the commissioner of the office of
4 administration or his or her designee; except that, in no case shall the duration exceed twenty-three
5 years.

6 11. In addition to the areas authorized in subsection 9 of this section, the funding authorized
7 pursuant to subsection 4 of this section shall also be available in a federally approved levee district,
8 where construction of a levee begins after December 23, 1997, and which is contained within a
9 county of the first classification without a charter form of government with a population between
10 fifty thousand and one hundred thousand inhabitants which contains all or part of a city with a
11 population in excess of four hundred thousand or more inhabitants.

12 12. There is hereby established within the state treasury a special fund to be known as the
13 "Missouri Supplemental Tax Increment Financing Fund", to be administered by the department of
14 economic development. The department shall annually distribute from the Missouri supplemental
15 tax increment financing fund the amount of the new state revenues as appropriated as provided in
16 the provisions of subsection 4 of this section if and only if the conditions of subsection 10 of this
17 section are met. The fund shall also consist of any gifts, contributions, grants or bequests received
18 from federal, private or other sources. Moneys in the Missouri supplemental tax increment
19 financing fund shall be disbursed per project pursuant to state appropriations.

20 13. Redevelopment project costs may include, at the prerogative of the state, the portion of
21 salaries and expenses of the department of economic development and the department of revenue
22 reasonably allocable to each redevelopment project approved for disbursements from the Missouri
23 supplemental tax increment financing fund for the ongoing administrative functions associated with
24 such redevelopment project. Such amounts shall be recovered from new state revenues deposited
25 into the Missouri supplemental tax increment financing fund created under this section.

26 14. For redevelopment plans or projects approved by ordinance that result in net new jobs
27 from the relocation of a national headquarters from another state to the area of the redevelopment
28 project, the economic activity taxes and new state tax revenues shall not be based on a calculation of
29 the incremental increase in taxes as compared to the base year or prior calendar year for such
30 redevelopment project, rather the incremental increase shall be the amount of total taxes generated
31 from the net new jobs brought in by the national headquarters from another state. In no event shall
32 this subsection be construed to allow a redevelopment project to receive an appropriation in excess
33 of up to fifty percent of the new state revenues.

34 15. Notwithstanding any other provision of the law to the contrary, the adoption of
35 any tax increment financing authorized under sections 99.800 to 99.865 shall not supersede, alter, or
36 reduce in any way a property tax levied under section 205.971."; and

37
38 Further amend said bill by amending the title, enacting clause, and intersectional references
39 accordingly.