

HOUSE AMENDMENT NO. _____
TO
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Offered By

1 AMEND House Amendment No. _____ to House Committee Substitute for Senate Bill No. 226,
2 Page 1, Line 1, by inserting after the number "226," the following:

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4 "Page 1, Section A, Line 2, by inserting after said section and line the following:

5
6 "99.805.As used in sections 99.800 to 99.865, unless the context clearly requires otherwise,
7 the following terms shall mean:

8 (1)"Blighted area", an area which, by reason of the predominance of [~~defective or inadequate~~
9 ~~street layout,~~] insanitary or unsafe conditions, [~~deterioration of site improvements, improper~~
10 ~~subdivision or obsolete platting,~~] or the existence of conditions which endanger life or property by
11 fire and other causes, or any combination of such factors, retards the provision of housing
12 accommodations or constitutes an economic or social liability or a menace to the public health,
13 safety, [~~morals,~~] or welfare in its present condition and use, and, for redevelopment areas located in
14 a city not within a county, which has a median household income less than or equal to two hundred
15 percent of the federal poverty level, as determined by the most current five-year figures published
16 by the American Community Survey conducted by the United States Census Bureau;

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

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

31 (4) "Economic activity taxes", the total additional revenue from taxes which are imposed by
32 a municipality and other taxing districts, and which are generated by economic activities within a
33 redevelopment area over the amount of such taxes generated by economic activities within such
34 redevelopment area in the calendar year prior to the adoption of the ordinance designating such a

Action Taken _____ Date _____

1 redevelopment area, while tax increment financing remains in effect, but excluding personal
 2 property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of
 3 hotels and motels, licenses, fees or special assessments. For redevelopment projects or
 4 redevelopment plans approved after December 23, 1997, if a retail establishment relocates within
 5 one year from one facility to another facility within the same county and the governing body of the
 6 municipality finds that the relocation is a direct beneficiary of tax increment financing, then for
 7 purposes of this definition, the economic activity taxes generated by the retail establishment shall
 8 equal the total additional revenues from economic activity taxes which are imposed by a
 9 municipality or other taxing district over the amount of economic activity taxes generated by the
 10 retail establishment in the calendar year prior to its relocation to the redevelopment area;

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

16 ~~——(a)Discourage commerce, industry or manufacturing from moving their operations to another~~
 17 ~~state; or~~

18 ~~——(b)Result in increased employment in the municipality; or~~

19 ~~——(c)Result in preservation or enhancement of the tax base of the municipality;~~

20 ~~——(6)] (4)"Gambling establishment", an excursion gambling boat as defined in section 313.800~~
 21 ~~and any related business facility including any real property improvements which are directly and~~
 22 ~~solely related to such business facility, whose sole purpose is to provide goods or services to an~~
 23 ~~excursion gambling boat and whose majority ownership interest is held by a person licensed to~~
 24 ~~conduct gambling games on an excursion gambling boat or licensed to operate an excursion~~
 25 ~~gambling boat as provided in sections 313.800 to 313.850. This subdivision shall be applicable only~~
 26 ~~to a redevelopment area designated by ordinance adopted after December 23, 1997;~~

27 ~~[(7)](5)"Greenfield area", any vacant, unimproved, or agricultural property that is located~~
 28 ~~wholly outside the incorporated limits of a city, town, or village, or that is substantially surrounded~~
 29 ~~by contiguous properties with agricultural zoning classifications or uses unless said property was~~
 30 ~~annexed into the incorporated limits of a city, town, or village ten years prior to the adoption of the~~
 31 ~~ordinance approving the redevelopment plan for such greenfield area;~~

32 ~~[(8)](6)"Municipality", a city, village, or incorporated town or any county of this state. For~~
 33 ~~redevelopment areas or projects approved on or after December 23, 1997, municipality applies only~~
 34 ~~to cities, villages, incorporated towns or counties established for at least one year prior to such date;~~

35 ~~[(9)](7)"Obligations", bonds, loans, debentures, notes, special certificates, or other evidences~~
 36 ~~of indebtedness issued by a municipality to carry out a redevelopment project or to refund~~
 37 ~~outstanding obligations;~~

38 ~~[(10)](8)"Ordinance", an ordinance enacted by the governing body of a city, town, or village~~
 39 ~~or a county or an order of the governing body of a county whose governing body is not authorized to~~
 40 ~~enact ordinances;~~

41 ~~[(11)](9)"Payment in lieu of taxes", those estimated revenues from real property in the area~~
 42 ~~selected for a redevelopment project, which revenues according to the redevelopment project or plan~~
 43 ~~are to be used for a private use, which taxing districts would have received had a municipality not~~
 44 ~~adopted tax increment allocation financing, and which would result from levies made after the time~~
 45 ~~of the adoption of tax increment allocation financing during the time the current equalized value of~~
 46 ~~real property in the area selected for the redevelopment project exceeds the total initial equalized~~
 47 ~~value of real property in such area until the designation is terminated pursuant to subsection 2 of~~
 48 ~~section 99.850;~~

49 ~~[(12)](10)"Redevelopment area", an area designated by a municipality, in respect to which~~

1 the municipality has made a finding that there exist conditions which cause the area to be classified
 2 as a blighted area, [~~a conservation area, an economic development area, an enterprise zone pursuant~~
 3 ~~to sections 135.200 to 135.256, or a combination thereof,~~] which area includes only those parcels of
 4 real property directly and substantially benefitted by the proposed redevelopment project;

5 ~~[(13)]~~(11)"Redevelopment plan", the comprehensive program of a municipality for
 6 redevelopment intended by the payment of redevelopment costs to reduce or eliminate those
 7 conditions, the existence of which qualified the redevelopment area as a blighted area, [~~conservation~~
 8 ~~area, economic development area, or combination thereof,~~] and to thereby enhance the tax bases of
 9 the taxing districts which extend into the redevelopment area.Each redevelopment plan shall
 10 conform to the requirements of section 99.810;

11 ~~[(14)]~~(12)"Redevelopment project", any development project within a redevelopment area in
 12 furtherance of the objectives of the redevelopment plan; any such redevelopment project shall
 13 include a legal description of the area selected for the redevelopment project;

14 ~~[(15)]~~(13)"Redevelopment project costs" include the sum total of all reasonable or necessary
 15 costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan or
 16 redevelopment project, as applicable.Such costs include, but are not limited to, the following:

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

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

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

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

25 b.Demolition of buildings; and

26 c.The clearing and grading of land;

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

29 ~~(e)[Initial costs for an economic development area;~~

30 ~~—(f)]~~Costs of construction of public works or improvements;

31 ~~[(g)]~~(f)Financing costs, including, but not limited to, all necessary and incidental expenses
 32 related to the issuance of obligations, and which may include payment of interest on any obligations
 33 issued pursuant to sections 99.800 to 99.865 accruing during the estimated period of construction of
 34 any redevelopment project for which such obligations are issued and for not more than eighteen
 35 months thereafter, and including reasonable reserves related thereto;

36 ~~[(h)]~~(g)All or a portion of a taxing district's capital costs resulting from the redevelopment
 37 project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment
 38 plan and project, to the extent the municipality by written agreement accepts and approves such
 39 costs;

40 ~~[(i)]~~(h)Relocation costs to the extent that a municipality determines that relocation costs
 41 shall be paid or are required to be paid by federal or state law;

42 ~~[(j)]~~(i)Payments in lieu of taxes;

43 ~~[(16)]~~(14)"Special allocation fund", the fund of a municipality or its commission which
 44 contains at least two separate segregated accounts for each redevelopment plan, maintained by the
 45 treasurer of the municipality or the treasurer of the commission into which payments in lieu of taxes
 46 are deposited in one account, and economic activity taxes and other revenues are deposited in the
 47 other account;

48 ~~[(17)]~~(15)"Taxing districts", any political subdivision of this state having the power to levy
 49 taxes;

1 [(18)](16)"Taxing districts' capital costs", those costs of taxing districts for capital
2 improvements that are found by the municipal governing bodies to be necessary and to directly
3 result from the redevelopment project; and

4 [(19)](17)"Vacant land", any parcel or combination of parcels of real property not used for
5 industrial, commercial, or residential buildings.

6 99.810.1. Each redevelopment plan shall set forth in writing a general description of the
7 program to be undertaken to accomplish the objectives and shall include, but need not be limited to,
8 the estimated redevelopment project costs, the anticipated sources of funds to pay the costs,
9 evidence of the commitments to finance the project costs, the anticipated type and term of the
10 sources of funds to pay costs, the anticipated type and terms of the obligations to be issued, the most
11 recent equalized assessed valuation of the property within the redevelopment area which is to be
12 subjected to payments in lieu of taxes and economic activity taxes pursuant to section 99.845, an
13 estimate as to the equalized assessed valuation after redevelopment, and the general land uses to
14 apply in the redevelopment area. No redevelopment plan shall be adopted by a municipality without
15 findings that:

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

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

26 (3) The estimated dates, which shall not be more than twenty-three years from the adoption
27 of the ordinance approving a redevelopment project within a redevelopment area, of completion of
28 any redevelopment project and retirement of obligations incurred to finance redevelopment project
29 costs have been stated, provided that no ordinance approving a redevelopment project shall be
30 adopted later than ten years from the adoption of the ordinance approving the redevelopment plan
31 under which such project is authorized and provided that no property for a redevelopment project
32 shall be acquired by eminent domain later than five years from the adoption of the ordinance
33 approving such redevelopment project;

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

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

41 (6) A finding that the plan does not include the initial development or redevelopment of any
42 gambling establishment, provided however, that this subdivision shall be applicable only to a
43 redevelopment plan adopted for a redevelopment area designated by ordinance after December 23,
44 1997.

45 2. By the last day of February each year, each commission shall report to the director of
46 economic development the name, address, phone number and primary line of business of any
47 business which relocates to the district. The director of the department of economic development
48 shall compile and report the same to the governor, the speaker of the house and the president pro
49 tempore of the senate on the last day of April each year.

1 99.825.1. Prior to the adoption of an ordinance proposing the designation of a redevelopment
 2 area, or approving a redevelopment plan or redevelopment project, the commission shall fix a time
 3 and place for a public hearing as required in subsection 4 of section 99.820 and notify each taxing
 4 district located wholly or partially within the boundaries of the proposed redevelopment area, plan
 5 or project. At the public hearing any interested person or affected taxing district may file with the
 6 commission written objections to, or comments on, and may be heard orally in respect to, any issues
 7 embodied in the notice. The commission shall hear and consider all protests, objections, comments
 8 and other evidence presented at the hearing. The hearing may be continued to another date without
 9 further notice other than a motion to be entered upon the minutes fixing the time and place of the
 10 subsequent hearing; provided, if the commission is created under subsection 3 of section 99.820, the
 11 hearing shall not be continued for more than thirty days beyond the date on which it is originally
 12 opened unless such longer period is requested by the chief elected official of the municipality
 13 creating the commission and approved by a majority of the commission. Prior to the conclusion of
 14 the hearing, changes may be made in the redevelopment plan, redevelopment project, or
 15 redevelopment area, provided that each affected taxing district is given written notice of such
 16 changes at least seven days prior to the conclusion of the hearing. After the public hearing but prior
 17 to the adoption of an ordinance approving a redevelopment plan or redevelopment project, or
 18 designating a redevelopment area, changes may be made to the redevelopment plan, redevelopment
 19 projects or redevelopment areas without a further hearing, if such changes do not enlarge the
 20 exterior boundaries of the redevelopment area or areas, and do not substantially affect the general
 21 land uses established in the redevelopment plan or substantially change the nature of the
 22 redevelopment projects, provided that notice of such changes shall be given by mail to each affected
 23 taxing district and by publication in a newspaper of general circulation in the area of the proposed
 24 redevelopment not less than ten days prior to the adoption of the changes by ordinance. After the
 25 adoption of an ordinance approving a redevelopment plan or redevelopment project, or designating
 26 a redevelopment area, no ordinance shall be adopted altering the exterior boundaries, affecting the
 27 general land uses established pursuant to the redevelopment plan or changing the nature of the
 28 redevelopment project without complying with the procedures provided in this section pertaining to
 29 the initial approval of a redevelopment plan or redevelopment project and designation of a
 30 redevelopment area. Hearings with regard to a redevelopment project, redevelopment area, or
 31 redevelopment plan may be held simultaneously.

32 2. If, after concluding the hearing required under this section, the commission makes a
 33 recommendation under section 99.820 in opposition to a proposed redevelopment plan,
 34 redevelopment project, or designation of a redevelopment area, or any amendments thereto, a
 35 municipality desiring to approve such project, plan, designation, or amendments shall do so only
 36 upon a two-thirds majority vote of the governing body of such municipality. For plans, projects,
 37 designations, or amendments approved by a municipality over the recommendation in opposition by
 38 the commission formed under subsection 3 of section 99.820, the economic activity taxes and
 39 payments in lieu of taxes generated by such plan, project, designation, or amendment shall be
 40 restricted to paying only those redevelopment project costs contained in subparagraphs b. and c. of
 41 paragraph (c) of subdivision (15) of section 99.805 per redevelopment project.

42 ~~[3. Tax incremental financing projects within an economic development area shall apply to
 43 and fund only the following infrastructure projects: highways, roads, streets, bridges, sewers, traffic
 44 control systems and devices, water distribution and supply systems, curbing, sidewalks and any
 45 other similar public improvements, but in no case shall it include buildings.]~~

46 99.843. Notwithstanding the provisions of sections 99.800 to 99.865 to the contrary, no new
 47 tax increment financing project shall be authorized in any greenfield area, as such term is defined in
 48 section 99.805], that is located within a city not within a county or any county subject to the
 49 authority of the East-West Gateway Council of Governments. Municipalities not subject to the

1 authority of the East-West Gateway Council of Governments may authorize tax increment finance
2 projects in greenfield areas]."; and

3

4 Further amend said bill,"; and

5

6 Further amend said bill by amending the title, enacting clause, and intersectional references
7 accordingly.

8

9 THIS AMENDS AMENDMENT 0991H02.13H.