FIRST REGULAR SESSION

HOUSE BILL NO. 1099

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MACKEY.

2125H.01I JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal section 99.825 as enacted by house bill no. 1606, one hundred first general assembly, second regular session, and section 99.825 as enacted by house bill nos. 1434 & 1600, ninety-eighth general assembly, second regular session, and to enact in lieu thereof one new section relating to tax abatements in certain counties.

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

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Section A. Section 99.825 as enacted by house bill no. 1606, one hundred first general assembly, second regular session, and section 99.825 as enacted by house bill nos.

3 1434 & 1600, ninety-eighth general assembly, second regular session, are repealed and one

4 new section enacted in lieu thereof, to be known as section 99.825, to read as follows:

199.825. 1. Prior to the adoption of an ordinance proposing the designation of a redevelopment area, or approving a redevelopment plan or redevelopment project, the commission shall fix a time and place for a public hearing as required in subsection 4 of section 99.820 and notify each taxing district located wholly or partially within the boundaries of the proposed redevelopment area, plan or project. At the public hearing any interested person or affected taxing district may file with the commission written objections to, or comments on, and may be heard orally in respect to, any issues embodied in the notice. The commission shall hear and consider all protests, objections, comments and other evidence presented at the hearing. The hearing may be continued to another date without further notice other than a motion to be entered upon the minutes fixing the time and place of the subsequent hearing, as well as providing such information to the Missouri department of revenue, which shall publish such information on its website; provided, if the commission is created under subsection 3 of section 99.820, the hearing shall not be continued for more than thirty days beyond the date on

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.

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which it is originally opened unless such longer period is requested by the chief elected official of the municipality creating the commission and approved by a majority of the commission. Prior to the conclusion of the hearing, changes may be made in the redevelopment plan, redevelopment project, or redevelopment area, provided that each affected taxing district is given written notice of such changes at least seven days prior to the conclusion of the hearing. After the public hearing but prior to the adoption of an ordinance approving a redevelopment plan or redevelopment project, or designating a redevelopment area, changes may be made to the redevelopment plan, redevelopment projects or redevelopment areas without a further hearing, if such changes do not enlarge the exterior boundaries of the redevelopment area or areas, and do not substantially affect the general land uses established in the redevelopment plan or substantially change the nature of the redevelopment projects, provided that notice of such changes shall be given by mail to each affected taxing district and by publication in a newspaper of general circulation in the area of the proposed redevelopment not less than ten days prior to the adoption of the changes by ordinance. After the adoption of an ordinance approving a redevelopment plan or redevelopment project, or designating a redevelopment area, no ordinance shall be adopted altering the exterior boundaries, affecting the general land uses established pursuant to the redevelopment plan or changing the nature of the redevelopment project without complying with the procedures provided in this section pertaining to the initial approval of a redevelopment plan or redevelopment project and designation of a redevelopment area. Hearings with regard to a redevelopment project, redevelopment area, or redevelopment plan may be held simultaneously.

- 2. If, after concluding the hearing required under this section, the commission makes a recommendation under section 99.820 in opposition to a proposed redevelopment plan, redevelopment project, or designation of a redevelopment area, or any amendments thereto, a municipality desiring to approve such project, plan, designation, or amendments shall do so only upon a two-thirds majority vote of the governing body of such municipality. For plans, projects, designations, or amendments approved by a municipality over the recommendation in opposition by the commission formed under subsection 3 of section 99.820, the economic activity taxes and payments in lieu of taxes generated by such plan, project, designation, or amendment shall be restricted to paying only those redevelopment project costs contained in subparagraphs b. and c. of paragraph (c) of subdivision (16) of section 99.805 per redevelopment project.
- 3. Tax incremental financing projects within an economic development area shall apply to and fund only the following infrastructure projects: highways, roads, streets, bridges, sewers, traffic control systems and devices, water distribution and supply systems, curbing, sidewalks and any other similar public improvements, but in no case shall it include buildings.
- 4. (1) The governing body of the municipality establishing a redevelopment area shall, as soon as is practicable, submit the following information to the state auditor and the department of revenue:
 - (a) A description of the boundaries of such redevelopment area;

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65 (b) Any amendments made to the boundaries of a redevelopment area; (c) The estimated redevelopment project costs and the estimated date 66 67 of completion of all redevelopment projects; and 68 (d) The date on which the redevelopment area is dissolved. 69 (2) The governing body of the municipality establishing a 70 redevelopment area on or after August 28, 2022, shall not deposit any 71 payments in lieu of taxes or any other taxes into the special allocation fund 72 until such governing body has submitted the information required by paragraph (a) of subdivision (1) of this subsection. 73

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

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redevelopment project without complying with the procedures provided in this section pertaining to the initial approval of a redevelopment plan or redevelopment project and designation of a redevelopment area. Hearings with regard to a redevelopment project, redevelopment area, or redevelopment plan may be held simultaneously.

- 2. If, after concluding the hearing required under this section, the commission makes a recommendation under section 99.820 in opposition to a proposed redevelopment plan, redevelopment project, or designation of a redevelopment area, or any amendments thereto, a municipality desiring to approve such project, plan, designation, or amendments shall do so only upon a two-thirds majority vote of the governing body of such municipality. For plans, projects, designations, or amendments approved by a municipality over the recommendation in opposition by the commission formed under subsection 3 of section 99.820, the economic activity taxes and payments in lieu of taxes generated by such plan, project, designation, or amendment shall be restricted to paying only those redevelopment project costs contained in subparagraphs b. and c. of paragraph (c) of subdivision (16) of section 99.805 per redevelopment project.
- 3. Tax incremental financing projects within an economic development area shall apply to and fund only the following infrastructure projects: highways, roads, streets, bridges, sewers, traffic control systems and devices, water distribution and supply systems, curbing, sidewalks and any other similar public improvements, but in no case shall it include buildings.
 - 4. In any county with more than one million inhabitants:
- (1) Before a municipality in such county approves tax abatements under a redevelopment plan, redevelopment project, or designation of a redevelopment area, such municipality shall provide notice of such proposed tax abatements to any municipality in such county that is outside of but bordering on such plan, project, or designation;
- (2) If such bordering municipality determines that such bordering municipality objects to such tax abatements, such bordering municipality shall provide notice of such determination to the municipality desiring to approve such tax abatements;
- (3) Upon receiving such notice from the bordering municipality, the municipality desiring to approve such tax abatements shall notify:
 - (a) The bordering municipality; and
- (b) The county's commission created under section 99.820 or, if such county has not created such commission, the governing body of the county;
- (4) Upon receiving such notice from the municipality desiring to approve such tax abatements, the county's commission or governing body, as applicable, shall provide a process with at least one public hearing for the bordering municipality and the

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municipality seeking to approve such tax abatements to present objections to and 67 68 reasons for such tax abatements; and

(5) After providing the bordering municipality and the municipality desiring to 70 approve such tax abatements the opportunity to present objections to and reasons for such tax abatements, the county's commission or governing body, as applicable, shall 72 vote to determine whether to approve or reject such tax abatements. Such vote shall occur within thirty calendar days of the completion of the last public hearing held under this subsection.

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