

SECOND REGULAR SESSION

HOUSE BILL NO. 3297

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE EALY.

7150H.011

JOSEPH ENGLER, Chief Clerk

AN ACT

To amend chapter 67, RSMo, by adding thereto two new sections relating to affordable housing development, with penalty provisions.

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

Section A. Chapter 67, RSMo, is amended by adding thereto two new sections, to be known as sections 67.5460 and 67.5465, to read as follows:

67.5460. 1. A political subdivision shall authorize multifamily and mixed-use residential as allowable uses in any area zoned for commercial, industrial, or mixed use if at least forty percent of the residential units in a proposed multifamily rental development are, for a period of at least thirty years, affordable as defined in section 215.263. Notwithstanding any other provision of law or local ordinance to the contrary, no political subdivision shall require a proposed multifamily development to obtain a zoning or land use change, special exception, conditional use approval, variance, or comprehensive plan amendment for the building height, zoning, and densities authorized under this section. For mixed use residential projects, at least sixty-five percent of the total square footage shall be used for residential purposes.

2. A political subdivision shall not restrict the density of a proposed development authorized under this section below the highest allowed density on any unincorporated land in the political subdivision where residential development is allowed.

3. A political subdivision shall not restrict the height of a proposed development authorized under this subsection below the highest currently allowed height for a commercial or residential development located in its jurisdiction within one mile of the proposed development or three stories, whichever is higher.

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.

18 **4. A proposed development authorized under this section shall be**
19 **administratively approved and no further action by the governing board of the**
20 **political subdivision is required if the development satisfies the county's land**
21 **development regulations for multifamily developments in areas zoned for such use**
22 **and is otherwise consistent with the comprehensive plan, with the exception of**
23 **provisions establishing allowable densities, height, and land use. Such land development**
24 **regulations include, but are not limited to, regulations relating to setbacks and parking**
25 **requirements.**

26 **5. A political subdivision shall consider reducing parking requirements for a**
27 **proposed development authorized under this section if the development is located within**
28 **one-half mile of a public transit system and the public transit system is accessible from**
29 **the development. For the purposes of this section, a "public transit system" shall**
30 **include buses, commuter rail, other fixed guideways, parking or other facilities, transit**
31 **centers, stops, park-n-ride lots, and other transit-related surface transportation.**

32 **6. Except as otherwise provided in this section, a development authorized under**
33 **this section shall comply with all applicable state and local laws and regulations.**

67.5465. 1. Notwithstanding any provision of law to the contrary, portions of
2 **property in a multifamily project are considered property used for a charitable purpose**
3 **and are eligible to receive an ad valorem property tax exemption if such portions:**

4 **(1) Provide affordable housing to natural persons or families meeting the income**
5 **limitations provided in subsection 3 of this section;**

6 **(2) Are within a newly constructed multifamily project that contains more than**
7 **seventy units dedicated to housing natural persons or families meeting the income**
8 **limitations provided in subsection 3 of this section; and**

9 **(3) Are rented for an amount that does not exceed the amount as specified by the**
10 **most recent multifamily rental programs income and rent limit chart posted by the**
11 **Multifamily Tax Subsidy Projects Income Limits published by the United States**
12 **Department of Housing and Urban Development.**

13 **2. If a unit that in the previous year qualified for the exemption under this**
14 **section and was occupied by a tenant is vacant on January first, the vacant unit is**
15 **eligible for the exemption if the use of the unit is restricted to providing affordable**
16 **housing that would otherwise meet the requirements of this section and a reasonable**
17 **effort is made to lease the unit to eligible persons or families.**

18 **3. (1) Qualified property used to house natural persons or families whose annual**
19 **household income is greater than eighty percent but not more than one hundred twenty**
20 **percent of the median annual adjusted gross income for households within the**
21 **metropolitan statistical area or, if not within a metropolitan statistical area, within the**

22 county in which the person or family resides, shall receive an ad valorem property tax
23 exemption of seventy-five percent of the assessed value.

24 (2) Qualified property used to house natural persons or families whose annual
25 household income does not exceed eighty percent of the median annual adjusted gross
26 income for households within the metropolitan statistical area or, if not within a
27 metropolitan statistical area, within the county in which the person or family resides, is
28 exempt from ad valorem property taxes.

29 4. To receive an exemption under this section, a property owner shall submit an
30 application on a form prescribed by the department of revenue by March first each
31 year.

32 5. The application shall require the property owner to provide, at a minimum,
33 all of the following:

34 (1) A list of the units for which the property owner seeks an exemption;

35 (2) The rent amount received by the property owner for each unit for which the
36 property owner seeks an exemption. If a unit is vacant and qualifies for an exemption
37 under subsection 2 of this section, the property owner shall provide evidence of the
38 published rent amount for each vacant unit; and

39 (3) A sworn statement, under penalty of perjury, from the property owner
40 restricting the property for a period of not less than three years to housing persons or
41 families who meet the income limitations under this section.

42 6. Any property owned by the taxpayer and situated in this state is subject to the
43 taxes exempted by the improper exemption, plus a penalty of fifty percent of the unpaid
44 taxes for each year and interest at a rate of fifteen percent per annum. If an exemption
45 is improperly granted as a result of a clerical mistake, the property owner improperly
46 receiving the exemption shall not be assessed a penalty or interest.

47 7. The provisions of this section shall apply beginning with tax year 2027.

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