

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 3395
103RD GENERAL ASSEMBLY

7317H.02C

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal sections 99.918, 99.919, 99.930, 99.933, 99.936, 99.942, 99.948, 99.951, 99.954, 99.957, 99.960, 99.963, 99.965, 99.968, 99.975, and 99.980, RSMo, and to enact in lieu thereof sixteen new sections relating to incentives for downtown redevelopment.

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

Section A. Sections 99.918, 99.919, 99.930, 99.933, 99.936, 99.942, 99.948, 99.951, 2 99.954, 99.957, 99.960, 99.963, 99.965, 99.968, 99.975, and 99.980, RSMo, are repealed and 3 sixteen new sections enacted in lieu thereof, to be known as sections 99.918, 99.919, 99.930, 4 99.933, 99.936, 99.942, 99.948, 99.951, 99.954, 99.957, 99.960, 99.963, 99.965, 99.968, 5 99.975, and 99.980, to read as follows:

99.918. As used in sections 99.915 to 99.980, unless the context clearly requires 2 otherwise, the following terms shall mean:

3 (1) "Authority", the downtown economic stimulus authority for a municipality, 4 created pursuant to section 99.921;

5 (2) "Baseline year", the calendar year prior to the adoption of an ordinance by the 6 municipality approving a development project **or an expanded development project, as** 7 **applicable**; provided, however, if economic activity taxes or state sales tax revenues, from 8 businesses other than any out-of-state business or businesses locating in the development 9 project area **or expanded development project area, as applicable**, decrease in the 10 development project area **or expanded development project area, as applicable**, in the year 11 following the year in which the ordinance approving a development project **or expanded** 12 **development project, as applicable**, is approved by a municipality, the baseline year may, at 13 the option of the municipality approving the development project **or expanded development** 14 **project, as applicable**, be the year following the year of the adoption of the ordinance

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.

15 approving the development project [~~When a development project area is located within a~~
16 ~~county for which public and individual assistance has been requested by the governor~~
17 ~~pursuant to Section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance~~
18 ~~Act, 42 U.S.C. 5121, et seq., for an emergency proclaimed by the governor pursuant to~~
19 ~~section 44.100 due to a natural disaster of major proportions that occurred after May 1, 2003,~~
20 ~~but prior to May 10, 2003, and the development project area is a central business district that~~
21 ~~sustained severe damage as a result of such natural disaster, as determined by the state~~
22 ~~emergency management agency, the baseline year may, at the option of the municipality~~
23 ~~approving the development project, be the calendar year in which the natural disaster~~
24 ~~occurred or the year following the year in which the natural disaster occurred, provided that~~
25 ~~the municipality adopts an ordinance approving the development project within one year after~~
26 ~~the occurrence of the natural disaster]~~ **or expanded development project, as applicable;**

27 (3) "Blighted area", the same meaning as defined pursuant to section 99.805;

28 (4) "Central business district", the area at or near the historic core that is locally
29 known as the "downtown" of a municipality [~~that has a median household income of sixty-~~
30 ~~two thousand dollars or less, according to the United States Census Bureau's American~~
31 ~~Community Survey, based on the most recent of five year period estimate data in which the~~
32 ~~final year of the estimate ends in either zero or five. In addition, at least fifty percent of~~
33 ~~existing buildings in this area will have been built in excess of thirty five years prior or vacant~~
34 ~~lots that had prior structures built in excess of thirty five years prior to the adoption of the~~
35 ~~ordinance approving the redevelopment plan]. The historical land use emphasis of a central~~
36 ~~business district prior to redevelopment will have been a mixed use of business, commercial,~~
37 ~~financial, transportation, government, and multifamily residential uses;~~

38 (5) "Collecting officer", the officer of the municipality responsible for receiving and
39 processing payments in lieu of taxes, economic activity taxes other than economic activity
40 taxes which are local sales taxes, and other local taxes other than local sales taxes, and, for
41 local sales taxes and state taxes, the director of revenue;

42 (6) "Conservation area", any improved area within the boundaries of a redevelopment
43 area located within the territorial limits of a municipality in which fifty percent or more of the
44 structures in the area have an age of thirty-five years or more, and such an area is not yet a
45 blighted area but is detrimental to the public health, safety, morals, or welfare and may
46 become a blighted area because of any one or more of the following factors: dilapidation;
47 obsolescence; deterioration; illegal use of individual structures; presence of structures below
48 minimum code standards; abandonment; excessive vacancies; overcrowding of structures and
49 community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities;
50 excessive land coverage; deleterious land use or layout; depreciation of physical maintenance;
51 and lack of community planning;

52 (7) "Department", the department of economic development;

53 (8) "Developer", the entity with which the municipality entered into a
54 development agreement for the development of the development area as set forth in the
55 municipality's application to the department for which a certificate of approval was
56 issued under section 99.960 prior to January 1, 2013, and that has or is in the process of
57 developing the development project, or the entity's affiliate;

58 (9) "Development area", an area designated by a municipality ~~[in respect to which the~~
59 ~~municipality has made a finding that there exist conditions which cause the area to be~~
60 ~~classified as a blighted area or a conservation area, which area shall have the following~~
61 ~~characteristics:~~

62 (a) ~~It includes only those parcels of real property directly and substantially benefitted~~
63 ~~by the proposed development plan;~~

64 (b) ~~It can be renovated through one or more development projects;~~

65 (c) ~~It is located in the central business district;~~

66 (d) ~~It has generally suffered from declining population or property taxes for the~~
67 ~~twenty year period immediately preceding the area's designation as a development area or has~~
68 ~~structures in the area fifty percent or more of which have an age of thirty five years or more;~~

69 (e) ~~It is contiguous, provided, however that a development area may include up to~~
70 ~~three noncontiguous areas selected for development projects, provided that each~~
71 ~~noncontiguous area meets the requirements of paragraphs (a) to (g) herein;~~

72 (f) ~~The development area shall not exceed ten percent of the entire area of the~~
73 ~~municipality; and~~

74 (g) ~~The development area shall not include any property that is located within the one~~
75 ~~hundred year flood plain, as designated by the Federal Emergency Management Agency flood~~
76 ~~delineation maps, unless such property is protected by a structure that is inspected and~~
77 ~~certified by the United States Army Corps of Engineers. This subdivision shall not apply to~~
78 ~~property within the one hundred year flood plain if the buildings on the property have been or~~
79 ~~will be flood proofed in accordance with the Federal Emergency Management Agency's~~
80 ~~standards for flood proofing and the property is located in a home rule city with more than~~
81 ~~one hundred fifty one thousand five hundred but fewer than one hundred fifty one thousand~~
82 ~~six hundred inhabitants. Only those buildings certified as being flood proofed in accordance~~
83 ~~with the Federal Emergency Management Agency's standards for flood proofing by the~~
84 ~~authority shall be eligible for the state sales tax increment and the state income tax increment.~~
85 ~~Subject to the limitation set forth in this subdivision, the development area can be enlarged or~~
86 ~~modified as provided in section 99.951] as a development area as included in its~~
87 ~~application to the department for which a certificate of approval was issued under~~

88 **section 99.960 prior to January 1, 2013, as may be thereafter modified under section**
89 **99.948 in relation to an expanded development area;**

90 ~~[(8)]~~ (10) "Development plan", the comprehensive program of a municipality [~~to~~
91 ~~reduce or eliminate those conditions which qualified a development area as a blighted area or~~
92 ~~a conservation area, and to thereby enhance the tax bases of the taxing districts which extend~~
93 ~~into the development area through the reimbursement, payment, or other financing of~~
94 ~~development project costs in accordance with sections 99.915 to 99.980 and through the~~
95 ~~exercise of the powers set forth in sections 99.915 to 99.980. The development plan shall~~
96 ~~conform to the requirements of section 99.942]~~ **included in its application to the**
97 **department for which a certificate of approval was issued under section 99.960 prior to**
98 **January 1, 2013, as may be thereafter modified under section 99.948 in relation to an**
99 **expanded development plan;**

100 ~~[(9)]~~ (11) "Development project", any development project [~~within a development~~
101 ~~area which constitutes a major initiative in furtherance of the objectives of the development~~
102 ~~plan, and any such development project shall include a legal description of the area selected~~
103 ~~for such development project]~~ **for which a certificate of approval was issued under section**
104 **99.960 prior to January 1, 2013, as may be thereafter modified under section 99.948 in**
105 **relation to an expanded development project;**

106 ~~[(10)]~~ (12) "Development project area", the area located within a development area
107 selected for a development project **for which a certificate of approval was issued under**
108 **section 99.960 prior to January 1, 2013, as may be thereafter modified under section**
109 **99.948 in relation to an expanded development plan;**

110 ~~[(11)]~~ (13) "Development project costs" include such costs to the development plan or
111 a development project, as applicable, which are expended on public property, buildings, or
112 rights-of-ways for public purposes to provide infrastructure to support a development project.
113 Such costs shall only be allowed as an initial expense which, to be recoverable, must be
114 included in the costs of a development plan or development project, except in circumstances
115 of plan amendments approved by [~~the Missouri development finance board and~~] the
116 department of economic development. Such infrastructure costs include, but are not limited
117 to, the following:

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

119 (b) Professional service costs, including, but not limited to, architectural, engineering,
120 legal, marketing, financial, planning, or special services;

121 (c) Property assembly costs, including, but not limited to, acquisition of land and
122 other property, real or personal, or rights or interests therein, demolition of buildings, and the
123 clearing and grading of land;

124 (d) Costs of rehabilitation, reconstruction, repair, or remodeling of existing public
125 buildings and fixtures;

126 (e) Costs of construction of public works or improvements;

127 (f) Financing costs, including, but not limited to, all necessary expenses related to the
128 issuance of obligations issued to finance all or any portion of the infrastructure costs of one or
129 more development projects, and which may include capitalized interest on any such
130 obligations and reasonable reserves related to any such obligations;

131 (g) All or a portion of a taxing district's capital costs resulting from any development
132 project necessarily incurred or to be incurred in furtherance of the objectives of the
133 development plan, to the extent the municipality by written agreement accepts and approves
134 such infrastructure costs;

135 (h) Payments to taxing districts on a pro rata basis to partially reimburse taxes
136 diverted by approval of a development project;

137 (i) State government costs, including, but not limited to, the reasonable costs incurred
138 by the department of economic development~~[-]~~ and the department of revenue ~~[and the office
139 of administration]~~ in evaluating an application for and administering state supplemental
140 downtown development financing for a development project; and

141 (j) Endowment of positions at an institution of higher education which has a
142 designation as a Carnegie Research I University including any campus of such university
143 system, subject to the provisions of section 99.958. In addition, economic activity taxes and
144 payment in lieu of taxes may be expended on or used to reimburse any reasonable or
145 necessary costs incurred or estimated to be incurred in furtherance of a development plan or a
146 development project;

147 ~~[(12)]~~ **(14)** "Economic activity taxes", the total additional revenue from taxes which
148 are imposed by the municipality and other taxing districts, and which are generated by
149 economic activities within each development project area **or expanded development project**
150 **area, as applicable**, which are not related to the relocation of any out-of-state business into
151 the development project area **or expanded development project area, as applicable**, which
152 exceed the amount of such taxes generated by economic activities within such development
153 project area **or expanded development project area, as applicable**, in the baseline year
154 plus, in development project areas **or expanded development project areas, as applicable**,
155 where the baseline year is the year following the year in which the development project **or**
156 **expanded development project area, as applicable**, is approved by the municipality
157 pursuant to subdivision (2) of this section, the total revenue from taxes which are imposed by
158 the municipality and other taxing districts which is generated by economic activities within
159 the development project area **or expanded development project area, as applicable**,
160 resulting from the relocation of an out-of-state business or out-of-state businesses to the

161 development project area **or expanded development project area, as applicable**, pursuant
162 to section 99.919; but excluding personal property taxes, taxes imposed on sales or charges
163 for sleeping rooms paid by transient guests of hotels and motels, licenses, fees, or special
164 assessments. If a **business or** retail establishment relocates within one year from one facility
165 to another facility within the same county and the municipality or authority finds that the
166 retail establishment is a direct beneficiary of development financing, then for purposes of this
167 definition, the economic activity taxes generated by the **business or** retail establishment shall
168 equal the total additional revenues from taxes which are imposed by the municipality and
169 other taxing districts which are generated by the economic activities within the development
170 project area **or expanded development project area, as applicable**, which exceed the
171 amount of taxes which are imposed by the municipality and other taxing districts which are
172 generated by economic activities within the development project area **or expanded**
173 **development project area, as applicable**, generated by the **business or** retail
174 establishment in the baseline year;

175 **(15) "Expanded development area", an area designated by a municipality in**
176 **respect to which the municipality has made a finding that there exist conditions which**
177 **cause the area to be classified as a blighted area or a conservation area, which area shall**
178 **have the following characteristics:**

179 **(a) It includes only those parcels of real property directly and substantially**
180 **benefited by the proposed expanded development plan;**

181 **(b) It can be renovated through one or more expanded development projects;**

182 **(c) It is located in the central business district;**

183 **(d) It furthers the development of the major initiative or has structures in the**
184 **area fifty percent or more of which have an age of thirty-five years or more;**

185 **(e) It is contiguous, provided, however that an expanded development area may**
186 **include up to three noncontiguous areas selected for expanded development projects,**
187 **provided that each noncontiguous area meets the requirements of paragraphs (a) to (d)**
188 **herein;**

189 **(f) The expanded development area, together with the development area, shall**
190 **not exceed ten percent of the entire area of the municipality; and**

191 **(g) The expanded development area shall not include any property that is**
192 **located within the one-hundred-year flood plain, as designated by the Federal**
193 **Emergency Management Agency flood delineation maps, unless such property is**
194 **protected by a structure that is inspected and certified by the U.S. Army Corps of**
195 **Engineers;**

196 **(16) "Expanded development plan", the comprehensive program of a**
197 **municipality to reduce or eliminate those conditions that qualify an expanded**

198 **development area as a blighted area or a conservation area, and to thereby enhance the**
199 **tax bases of the taxing districts which extend into the expanded development area**
200 **through the reimbursement, payment, or other financing of expanded development**
201 **project costs in accordance with sections 99.915 to 99.980 and through the exercise of**
202 **the powers set forth in sections 99.915 to 99.980. The expanded development plan shall**
203 **conform to the requirements of section 99.942;**

204 **(17) "Expanded development project", any development project within an**
205 **expanded development area and is in furtherance of the objectives of the expanded**
206 **development plan, and any such expanded development project shall include a legal**
207 **description of the area selected for such expanded development project;**

208 **(18) "Expanded development project area", the area located within an expanded**
209 **development area selected for an expanded development project;**

210 **(19) "Expanded development project costs", costs to an expanded development**
211 **plan or expanded development project as set forth in a certificate of approval from the**
212 **department that are expended on or used to reimburse base building costs of an**
213 **expanded development project including site preparation; foundation; structural;**
214 **utility relocation and off-site utility; environmental mitigation and remediation;**
215 **stormwater management; mechanical, engineering, and plumbing; landscaping and**
216 **hardscaping; lighting; and temporary structural support or stabilization costs; and any**
217 **costs allowable under the definition of development project costs in this section.**
218 **Economic activity taxes, payment in lieu of taxes, and municipal residential earnings tax**
219 **increment may be expended on or used to reimburse any reasonable or necessary costs**
220 **incurred or estimated to be incurred in furtherance of an expanded development plan or**
221 **expanded development project. Notwithstanding any provision of law to the contrary,**
222 **expanded development project costs may include the payment of obligations issued to**
223 **finance development project costs associated with the major initiative. "Expanded**
224 **development project costs" shall not include costs expended on the interior**
225 **improvements of an expanded development project;**

226 **[~~(13)~~] (20) "Gambling establishment", an excursion gambling boat as defined in**
227 **section 313.800 and any related business facility including any real property improvements**
228 **which are directly and solely related to such business facility, whose sole purpose is to**
229 **provide goods or services to an excursion gambling boat and whose majority ownership**
230 **interest is held by a person licensed to conduct gambling games on an excursion gambling**
231 **boat or licensed to operate an excursion gambling boat as provided in sections 313.800 to**
232 **313.850;**

233 ~~[(14)]~~ **(21)** "Major initiative", a development project within a central business district
 234 **for which a certificate of approval was issued under section 99.960 prior to January 1,**
 235 **2013; [that:**

236 ~~(a) Promotes tourism, cultural activities, arts, entertainment, education, research,~~
 237 ~~arenas, multipurpose facilities, libraries, ports, mass transit, museums, or conventions, the~~
 238 ~~estimated cost of which is in excess of the amount set forth below for the municipality, as~~
 239 ~~applicable; or~~

240 ~~(b) Promotes business location or expansion, the estimated cost of which is in excess~~
 241 ~~of the amount set forth below for the municipality, and is estimated to create at least as many~~
 242 ~~new jobs as set forth below within three years of such location or expansion:]~~

[Population of Municipality]	[Estimated Project Cost]	[New Jobs Created]
[300,000 or more]	[\$10,000,000]	[at least 100]
[100,000 to 299,999]	[\$5,000,000]	[at least 50]
[50,001 to 99,999]	[\$1,000,000]	[at least 10]
[50,000 or less]	[\$500,000]	[at least 5]

250 ~~[(15)]~~ **(22)** "Municipal residential earnings tax increment", those revenues from
 251 **the municipal earnings tax for salaries or wages paid to natural persons residing in a**
 252 **primarily residential building, regardless of the inclusion of mixed uses within a portion**
 253 **of the building, in an expanded development project area that did not reside in the**
 254 **expanded development project area in the baseline year. The municipality may**
 255 **calculate the municipal residential earnings tax increment in a manner consistent with**
 256 **the state's calculation of state residential income tax increment, except the maximum**
 257 **marginal tax rate in effect shall be pursuant to the earnings tax rate approved by voters**
 258 **under sections 92.111 to 92.200;**

259 **(23)** "Municipality", any city, village, incorporated town, or any county of this state
 260 established on or prior to January 1, 2001, or a census-designated place in any county
 261 designated by the county for purposes of sections 99.915 to 99.1060 **to which a certificate of**
 262 **approval was issued under section 99.960 prior to January 1, 2013;**

263 ~~[(16)]~~ **(24)** "New job", any job defined as a new job pursuant to subdivision (11) of
 264 section 100.710;

265 ~~[(17)]~~ **(25)** "Obligations", bonds, loans, debentures, notes, special certificates, or
 266 other evidences of indebtedness issued by the municipality or authority, or other public entity
 267 authorized to issue such obligations pursuant to sections 99.915 to 99.980 to carry out a

268 development project **or expanded development project, as applicable**, or to refund
269 outstanding obligations;

270 ~~[(18)]~~ **(26)** "Ordinance", an ordinance enacted by the governing body of any
271 municipality or an order of the governing body of such a municipal entity whose governing
272 body is not authorized to enact ordinances;

273 ~~[(19)]~~ **(27)** "Other net new revenues", the amount of state sales tax increment or state
274 income tax increment or the combination of the amount of each such increment as determined
275 under section 99.960. **For expanded development project areas, "other net new**
276 **revenues" also includes the amount of state residential income tax increment as**
277 **determined under section 99.960;**

278 ~~[(20)]~~ **(28)** "Out-of-state business", a business entity or operation that has been
279 located outside of the state of Missouri prior to the time it relocates to a development project
280 area **or expanded development project area, as applicable;**

281 ~~[(21)]~~ **(29)** "Payment in lieu of taxes", those revenues from real property in each
282 development project area **or expanded development project area, as applicable**, which
283 taxing districts would have received had the municipality not adopted a development plan **or**
284 **expanded development plan, as applicable**, and the municipality not adopted development
285 financing, and which would result from levies made after the time of the adoption of
286 development financing during the time the current equalized value of real property in such
287 development project area **or expanded development project area, as applicable**, exceeds
288 the total equalized value of real property in such development project area **or expanded**
289 **development project area, as applicable**, during the baseline year until development
290 financing for such development project area **or expanded development project area, as**
291 **applicable**, expires or is terminated pursuant to sections 99.915 to 99.980;

292 **(30) "Retained job", an existing job in the state if the department determines**
293 **that the existing job could be relocated to another state in the absence of the expanded**
294 **development project authorized under sections 99.915 to 99.980;**

295 ~~[(22)]~~ **(31)** "Special allocation fund", the fund of the municipality or its authority
296 required to be established pursuant to section 99.957 which special allocation fund shall
297 contain at least four separate segregated accounts into which payments in lieu of taxes are
298 deposited in one account, economic activity taxes are deposited in a second account, other net
299 new revenues are deposited in a third account, and other revenues, if any, received by the
300 authority or the municipality for the purpose of implementing a development plan or a
301 development project **or expanded development plan or an expanded development**
302 **project, as applicable**, are deposited in a fourth account;

303 ~~[(23)]~~ **(32)** "State income tax increment", up to fifty percent of the estimate of the
304 income tax due the state for salaries or wages paid to new employees in new jobs at a business

305 located in the development project area and created by the development project **or in an**
306 **expanded development project area and created by the expanded development project,**
307 **as applicable, and for an expanded development project, up to fifty percent of the**
308 **estimate of the income tax due the state for salaries or wages paid to employees in**
309 **retained jobs at a business located in the expanded development project area and**
310 **created by the expanded development project. In the case of an expanded development**
311 **project wherein the department director has determined, through the cost-benefit**
312 **analysis and other analysis as determined by the department, that the projected state**
313 **benefit is substantial and that the project is unlikely to occur without a higher**
314 **percentage of state contribution, the increment percentage for the expanded**
315 **development project may, at the department's discretion, be increased up to seventy**
316 **percent of the income tax due the state for salaries or wages paid to new employees in**
317 **new jobs and employees in retained jobs at a business located in the expanded**
318 **development project area and created by the expanded development project. The**
319 **estimate shall be a percentage of the gross payroll which percentage shall be based upon an**
320 **analysis by the department of revenue of the practical tax rate on gross payroll as a factor in**
321 **overall taxable income. The department may provide in a certificate of approval for an**
322 **expanded development project under section 99.960 that it will calculate and disburse**
323 **state income tax increment based upon the highest marginal personal income tax rate in**
324 **effect under section 143.011 at the time the certificate is issued even in the event the state**
325 **personal income tax rate is subsequently reduced, or the tax is eliminated;**

326 (33) "State residential income tax increment", up to seventy percent of the
327 estimate of the income tax due the state for salaries or wages paid to natural persons
328 residing in a primarily residential building, regardless of the inclusion of mixed uses
329 within a portion of the building, in an expanded development project area that did not
330 reside in the expanded development project area in the baseline year. Annually, after
331 the opening of the residential component of the expanded development project, the
332 developer shall provide the department and the municipality with certified incomes of
333 natural persons residing in leased or occupied residential units. The increment shall be
334 the product of the total certified incomes for all residential units leased to or occupied by
335 natural persons times the maximum marginal tax rate in effect under section 143.011.
336 The department may provide in a certificate of approval for an expanded development
337 project under section 99.960 that the department shall calculate and disburse state
338 residential income tax increment based upon the highest marginal personal income tax
339 rate in effect under section 143.011 at the time the certificate is issued in the event the
340 state personal income tax rate is subsequently reduced, or the tax is eliminated. The

341 **developer shall allow the department to audit records of certified incomes of natural**
342 **persons residing in leased or occupied residential units;**

343 ~~[(24)]~~ **(34)** "State sales tax increment", up to ~~[one-half]~~ **fifty percent** of the
344 incremental increase in the state sales tax revenue in the development project area **or**
345 **expanded development project area, as applicable.** ~~[In no event shall the incremental~~
346 ~~increase include any amounts attributable to retail sales unless the Missouri development~~
347 ~~finance board and the department of economic development are satisfied based on~~
348 ~~information provided by the municipality or authority, and such entities have made a~~
349 ~~finding that a substantial portion of all but a de minimus portion of the sales tax increment~~
350 ~~attributable to retail sales is from new sources which did not exist in the state during the~~
351 ~~baseline year.]~~ **In the case of an expanded development project wherein the department**
352 **director has determined, through the cost-benefit analysis and other analysis as**
353 **determined by the department, that the projected state benefit is substantial and that**
354 **the project is unlikely to occur without a higher percentage of state contribution, the**
355 **increment percentage for the expanded development project may, at the department's**
356 **discretion, be increased up to seventy percent of the incremental increase in the state**
357 **sales tax revenue in the expanded development project area.** The incremental increase for
358 an existing facility shall be the amount by which the state sales tax revenue generated at the
359 facility exceeds the state sales tax revenue generated at the facility in the baseline year. The
360 incremental increase in development project areas **or expanded development project areas,**
361 **as applicable,** where the baseline year is the year following the year in which the
362 development project **or expanded development project areas, as applicable,** is approved by
363 the municipality pursuant to subdivision (2) of this section shall be the state sales tax revenue
364 generated by out-of-state businesses relocating into a development project area **or expanded**
365 **development project areas, as applicable.** The incremental increase for a Missouri facility
366 which relocates to a development project area **or expanded development project areas, as**
367 **applicable,** shall be the amount by which the state sales tax revenue of the facility exceeds
368 the state sales tax revenue for the facility in the calendar year prior to relocation. **If the**
369 **department elects to issue a certificate of approval for an expanded development project**
370 **that applies the highest marginal personal income tax rate for the state income tax**
371 **increment and state residential income tax increment regardless of whether the rate**
372 **may thereafter be reduced or the tax eliminated, the department may fix the state sales**
373 **tax rate upon which the state sales tax increment is calculated at the rate in effect at the**
374 **time the certificate of approval is issued, even if the state sales tax rate is increased**
375 **thereafter;**

376 ~~[(25)]~~ **(35)** "State sales tax revenues", the general revenue portion of state sales tax
377 revenues received pursuant to section 144.020, excluding sales taxes that are constitutionally

378 dedicated, taxes deposited to the school district trust fund in accordance with section 144.701,
379 sales and use taxes on motor vehicles, trailers, boats and outboard motors and future sales
380 taxes earmarked by law;

381 ~~[(26)]~~ **(36)** "Taxing district's capital costs", those costs of taxing districts for capital
382 improvements that are found by the municipal governing bodies to be necessary and to
383 directly result from a development project **or expanded development project, as**
384 **applicable**; and

385 ~~[(27)]~~ **(37)** "Taxing districts", any political subdivision of this state having the power
386 to levy taxes.

99.919. Notwithstanding anything contained in sections 99.915 to 99.980 to the
2 contrary, for development projects **or expanded development projects, as applicable**, that
3 result in the relocation of an out-of-state business or out-of-state businesses to the
4 development project area **or expanded development project area, as applicable**, the portion
5 of economic activity taxes, the state income tax increment, the state sales tax increment and
6 other net new revenues generated by such out-of-state business or businesses shall be
7 calculated based upon the full amount of tax revenue generated by such out-of-state business
8 or out-of-state businesses without reduction due to revenues generated in the baseline year.

99.930. 1. In any suit, action, or proceeding involving the validity or enforcement of
2 or relating to any contract of an authority entered into pursuant to sections 99.915 to 99.980,
3 such authority shall be conclusively deemed to have become established and authorized to
4 transact business and exercise its powers under sections 99.915 to 99.980 upon proof of the
5 adoption of the appropriate ordinance prescribed in section 99.921. Each such ordinance
6 shall be deemed sufficient if it authorizes the exercise of powers under sections 99.915 to
7 99.980 by the authority and sets forth the findings of the municipality as required in
8 subdivision (2) of section 99.921.

9 2. A copy of such ordinance duly certified by the clerk of the municipality shall be
10 admissible in evidence in any suit, action, or proceeding.

11 3. No lawsuit to set aside the creation of an authority, the approval of a development
12 plan, development project, development area or development project area, **or the approval of**
13 **an expanded development plan, expanded development project, expanded development**
14 **area, or expanded development project area, as applicable**, or a tax levied pursuant to
15 sections 99.915 to 99.980, or to otherwise question the validity of the proceedings related
16 thereto, shall be brought after the expiration of ~~[ninety]~~ **thirty** days from the effective date of
17 the ordinance or resolution in question.

99.933. 1. The authority created pursuant to section 99.921 shall constitute a public
2 body corporate and politic, exercising public and essential governmental functions.

3 2. A municipality or an authority created pursuant to section 99.921 shall have all the
4 powers necessary or convenient to carry out and effectuate the purposes and provisions of
5 sections 99.915 to 99.980, including the following powers in addition to others granted
6 pursuant to sections 99.915 to 99.980:

7 (1) To prepare or cause to be prepared and approved development plans and
8 development projects to be considered at public hearings in accordance with sections 99.915
9 to 99.980 and to undertake and carry out development plans and development projects which
10 have been adopted by ordinance;

11 (2) **To prepare or cause to be prepared and approved expanded development**
12 **plans and expanded development projects to be considered in accordance with sections**
13 **99.915 to 99.980 and to undertake and carry out expanded development plans and**
14 **expanded development projects which have been adopted by ordinance;**

15 (3) To arrange or contract for the furnishing or repair, by any person or agency, public
16 or private, of services, privileges, streets, roads, public utilities, or other facilities for or in
17 connection with any development project **or expanded development project, as applicable;**
18 and notwithstanding anything to the contrary contained in sections 99.915 to 99.980 or any
19 other provision of law, to agree to any conditions that it may deem reasonable and appropriate
20 attached to federal financial assistance and imposed pursuant to federal law relating to the
21 determination of prevailing salaries or wages or compliance with labor standards, in the
22 undertaking or carrying out of any development project **or expanded development project,**
23 **as applicable,** and to include in any contract let in connection with any such development
24 project **or expanded development project, as applicable,** provisions to fulfill such of the
25 conditions as it may deem reasonable and appropriate;

26 ~~(3)~~ (4) Within a development area **or expanded development area, as applicable,**
27 to acquire by purchase, lease, gift, grant, bequest, devise, obtain options upon, or otherwise
28 acquire any real or personal property or any interest therein, necessary or incidental to a
29 development project **or expanded development project, as applicable,** all in the manner and
30 at such price as the municipality or authority determines is reasonably necessary to achieve
31 the objectives of a development plan **or expanded development plan, as applicable;**

32 ~~(4)~~ (5) Within a development area **or expanded development area, as applicable,**
33 subject to provisions of section 99.936 with regard to the disposition of real property, to sell,
34 lease, exchange, transfer, assign, subdivide, retain for its own use, mortgage, pledge,
35 hypothecate, or otherwise encumber or dispose of any real or personal property or any interest
36 therein, all in the manner and at such price and subject to any covenants, restrictions, and
37 conditions as the municipality or authority determines is reasonably necessary to achieve the
38 objectives of a development plan **or expanded development plan, as applicable;** to make
39 any such covenants, restrictions, or conditions as covenants running with the land, and to

40 provide appropriate remedies for any breach of any such covenants, restrictions, or
41 conditions, including the right in the municipality or authority to terminate such contracts and
42 any interest in the property created pursuant thereto;

43 ~~[(5)]~~ (6) Within a development area **or expanded development area, as applicable,**
44 to clear any area by demolition or removal of existing buildings and structures;

45 ~~[(6)]~~ (7) To install, repair, construct, reconstruct, or relocate streets, utilities, and site
46 improvements as necessary or desirable for the preparation of a development area **or**
47 **expanded development area, as applicable,** for use in accordance with a development plan;

48 ~~[(7)]~~ (8) Within a development area **or expanded development area, as applicable,**
49 to fix, charge, and collect fees, rents, and other charges for the use of any real or personal
50 property, or any portion thereof, in which the municipality or authority has any interest;

51 ~~[(8)]~~ (9) To accept grants, guarantees, and donations of property, labor, or other things
52 of value from any public or private source for purposes of implementing a development plan
53 **or expanded development plan, as applicable;**

54 ~~[(9)]~~ (10) In accordance with section 99.936, to select one or more developers to
55 implement a development plan **or expanded development plan, as applicable,** or one or
56 more development projects **or expanded development projects, as applicable,** or any
57 portion thereof;

58 ~~[(10)]~~ (11) To charge as a development project cost **or expanded development**
59 **project cost, as applicable,** the reasonable costs incurred by the municipality or authority, the
60 department of economic development, ~~[the Missouri development finance board,]~~ or the
61 department of revenue in evaluating, administering, or implementing the development plan or
62 any development project **or the expanded development plan or any expanded**
63 **development project, as applicable;**

64 ~~[(11)]~~ (12) To borrow money and issue obligations in accordance with sections
65 99.915 to 99.980 and provide security for any such loans or obligations;

66 ~~[(12)]~~ (13) To insure or provide for the insurance of any real or personal property or
67 operations of the municipality or authority against any risks or hazards, including the power
68 to pay premiums on any such insurance; and to enter into any contracts necessary to
69 effectuate the purposes of sections 99.915 to 99.980;

70 ~~[(13)]~~ (14) Within a development area **or an expanded development area, as**
71 **applicable,** to renovate, rehabilitate, own, operate, construct, repair, or improve any
72 improvements, buildings, parking garages, fixtures, structures, and other facilities;

73 ~~[(14)]~~ (15) To invest any funds held in reserves or sinking funds, or any funds not
74 required for immediate disbursement, in property or securities in which savings banks may
75 legally invest funds subject to their control; to redeem obligations at the redemption price

76 established therein or to purchase obligations at less than redemption price, all obligations so
77 redeemed or purchased to be cancelled;

78 ~~[(15)]~~ **(16)** To borrow money and to apply for and accept advances, loans, grants,
79 contributions, and any other form of financial assistance from the federal government, the
80 state, county, municipality, or other public body or from any sources, public or private, for the
81 purposes of implementing a development plan **or expanded development plan, as**
82 **applicable**, to give such security as may be required and to enter into and carry out
83 contracts in connection therewith. A municipality or authority, notwithstanding the
84 provisions of any other law, may include in any contract for financial assistance with the
85 federal government for a project such conditions imposed pursuant to federal law as the
86 municipality or authority may deem reasonable and appropriate and which are not
87 inconsistent with the purposes of sections 99.915 to 99.980;

88 ~~[(16)]~~ **(17)** To incur development project costs and **expanded development project**
89 **costs, as applicable, and** make such expenditures as may be necessary to carry out the
90 purposes of sections 99.915 to 99.980; and to make expenditures from funds obtained from
91 the federal government without regard to any other laws pertaining to the making and
92 approval of appropriations and expenditures;

93 ~~[(17)]~~ **(18)** To loan the proceeds of obligations issued pursuant to sections 99.915 to
94 99.980 for the purpose of providing for the purchase, construction, extension, or improvement
95 of public infrastructure related to a development project **or expanded development project,**
96 **as applicable**, by a developer pursuant to a development contract approved by the
97 municipality or authority in accordance with subdivision (2) of section 99.936;

98 ~~[(18)]~~ **(19)** To declare any funds, or any portion thereof, in the special allocation fund
99 to be excess funds, so long as such excess funds have not been pledged to the payment of
100 outstanding obligations, ~~[\07]~~ outstanding development project costs **or outstanding**
101 **expanded development project costs, as applicable**, are not necessary for the payment of
102 development project costs, **or expanded development project costs, as applicable**, incurred
103 or anticipated to be incurred, and are not required to pay baseline state sales taxes and
104 baseline state withholding taxes to the director of revenue. Any such funds deemed to be
105 excess shall be disbursed in the manner of surplus funds as provided in section 99.965;

106 ~~[(19)]~~ **(20)** To pledge or otherwise expend funds deposited to the special allocation
107 fund, or any portion thereof, for the payment or reimbursement of development project costs
108 **or expanded development project costs, as applicable**, incurred by the authority, the
109 municipality, a developer selected by the municipality or authority, or any other entity with
110 the consent of the municipality or authority; to pledge or otherwise expend funds deposited to
111 the special allocation fund, or any portion thereof, or to mortgage or otherwise encumber its
112 property, or any portion thereof, for the payment of obligations issued to finance development

113 project costs **or expanded development project costs, as applicable**; provided, however,
114 any such pledge or expenditure of economic activity taxes or other net new revenues shall be
115 subject to annual appropriation by the municipality; and

116 ~~[(20)]~~ **(21)** To exercise all powers or parts or combinations of powers necessary,
117 convenient, or appropriate to undertake and carry out development plans and any
118 development projects **or expanded development plans and any expanded development**
119 **projects, as applicable**, and all the powers granted pursuant to sections 99.915 to 99.980,
120 excluding powers of eminent domain.

121 3. If any member of the governing body of the municipality, a commissioner of the
122 authority, or an employee or consultant of the municipality or authority, involved in the
123 planning and preparation of a development project **or expanded development project, as**
124 **applicable**, owns or controls an interest, direct or indirect, in any property included in a
125 development project area **or expanded development project area, as applicable**, the
126 individual shall disclose the same in writing to the clerk of the municipality, and shall also so
127 disclose the dates, terms, and conditions of any disposition of any such interest, which
128 disclosures shall be acknowledged by the governing body of the municipality and entered
129 upon the minutes books of the governing body of the municipality. If an individual holds
130 such an interest, then that individual shall refrain from any further official involvement in
131 regard to a development project **or expanded development project, as applicable**, and from
132 voting on any matter pertaining to such development project or communicating with other
133 commissioners or members of the authority or the municipality concerning any matter
134 pertaining to such development project **or expanded development project, as applicable**.
135 Furthermore, subject to the succeeding sentence, no such member, commissioner, employee,
136 or consultant shall acquire any interest, direct or indirect, in any property in a development
137 project area or proposed development project area **or expanded development project area**
138 **or proposed expanded development project area, as applicable**, after either such
139 individual obtains knowledge of a development project, or first public notice of such
140 development project **or expanded development project, as applicable**, or development
141 project area pursuant to ~~[subsection 2 of]~~ section 99.951, whichever first occurs. At any time
142 after one year from the adoption of an ordinance designating a development project area, **or**
143 **expanded development project or expanded development project area, as applicable**,
144 any commissioner may acquire an interest in real estate located in a development project area
145 **or expanded development project area, as applicable**, so long as any such commissioner
146 discloses such acquisition and refrains from voting on any matter related to the development
147 project area **or expanded project area, as applicable**, in which the property acquired by
148 such commissioner is located.

149 4. An authority created pursuant to section 99.921 shall have the following powers in
150 addition to others granted pursuant to sections 99.915 to 99.980:

151 (1) To sue and to be sued; to have a seal and to alter the same at the authority's
152 pleasure; to have perpetual succession; to make and execute contracts and other instruments
153 necessary or convenient to the exercise of the powers of the authority; and to make and from
154 time to time amend and repeal bylaws, rules, and regulations, not inconsistent with sections
155 99.915 to 99.980, to carry out the provisions of sections 99.915 to 99.980;

156 (2) To delegate to a municipality or other public body any of the powers or functions
157 of the authority with respect to the planning or undertaking of a development project, and any
158 such municipality or public body is hereby authorized to carry out or perform such powers or
159 functions for the authority;

160 (3) To receive and exercise powers delegated by any authority, agency, or agent of a
161 municipality created pursuant to this chapter or chapter 353, excluding powers of eminent
162 domain.

163 ~~[5. Any home rule city with more than four hundred thousand inhabitants and located
164 in more than one county, any city not within a county, and any county with a charter form of
165 government and with more than one million inhabitants shall approve a disadvantaged
166 business enterprise program to be implemented by the downtown economic stimulus
167 authority. The program shall require all businesses, vendors, and contractors working on
168 projects undertaken by the authority to ensure enforcement of an equal opportunity
169 employment plan and a minority and women owned business program that is based on
170 population and availability that contains specific worker ethnicity goals for each such
171 business, vendor, and contractor, in accordance with applicable state and federal laws, rules,
172 regulations, and orders.]~~

99.936. Real property which is acquired by a municipality or authority in a
2 development project area may be disposed of as follows:

3 (1) Within a development project area **or expanded development project area, as**
4 **applicable**, the authority may sell, lease, exchange, or otherwise transfer real property,
5 including land, improvements, and fixtures, or any interest therein, to any developer selected
6 for a development project, or any portion thereof, in accordance with the development plan **or**
7 **to a developer of an expanded development project, in accordance with the expanded**
8 **development plan, as applicable**, subject to such covenants, conditions, and restrictions as
9 may be deemed to be in the public interest or to carry out the purposes of sections 99.915 to
10 99.980. Such real property shall be sold, leased, or transferred at its fair market value for uses
11 in accordance with the development plan **or expanded development plan, as applicable**;
12 provided that such fair market value may be less than the cost of such property to the
13 municipality or authority. In determining the fair market value of real property for uses in

14 accordance with a development plan **or expanded development plan, as applicable**, the
15 municipality or authority shall take into account and give consideration to the uses and
16 purposes required by the development plan **or expanded development plan, as applicable**;
17 the restrictions upon, and the covenants, conditions, and obligations assumed by the
18 developer of such property; the objectives of the development plan **or expanded**
19 **development plan, as applicable**; and such other matters as the municipality or authority
20 shall specify as being appropriate. In fixing rental and sale prices, a municipality or authority
21 shall give consideration to appraisals of the property for such uses made by experts employed
22 by the municipality or authority;

23 (2) (a) The municipality or authority shall, by public notice published in a newspaper
24 having a general circulation in a development area, prior to selecting one or more developers
25 for any development project, or any portion thereof, invite proposals from, and make
26 available all pertinent information to, private developers or any persons interested in
27 undertaking the development of such development project, or any portion thereof. Such
28 notice shall be published at least once each week during the two weeks preceding the
29 selection of a developer, shall identify the area of the development project or development
30 projects, or any portion thereof, for which one or more developers are to be selected, and shall
31 state that such further information as it is available may be obtained at the office of the
32 municipality or authority. The municipality or authority shall consider all proposals and the
33 financial and legal ability of the prospective developers to carry out their proposals. The
34 municipality or authority may negotiate and enter into one or more contracts with any
35 developer selected for the development of any such area for the development of such area by
36 such developer in accordance with a development plan or for the sale or lease of any real
37 property to any such developer in any such area for the purpose of developing such property
38 in accordance with the development plan. The municipality or authority may enter into any
39 such contract as it deems to be in the public interest and in furtherance of the purposes of
40 sections 99.915 to 99.980; provided that the municipality or authority has, not less than ten
41 days prior thereto, notified the governing body in writing of its intention to enter into such
42 contract. Thereafter, the municipality or authority may execute such contract in accordance
43 with the provisions of subdivision (1) of this section and deliver deeds, leases, and other
44 instruments and take all steps necessary to effectuate such contract. In its discretion, the
45 municipality or authority may, in accordance with the provisions of this subdivision, dispose
46 of any real property in an area selected for a development project, or any portion thereof, to
47 private developers for development under such reasonable competitive bidding procedures as
48 it shall prescribe, subject to the provisions of subdivision (1) of this section[5].

49 (b) **The municipality or authority may negotiate and enter into one or more**
50 **contracts with a developer for the development of an expanded development area or**

51 **expanded development project area in accordance with an expanded development plan**
52 **or for the sale or lease of any real property to any such developer in any such area for**
53 **the purpose of developing such property in accordance with the expanded development**
54 **plan. The municipality or authority may enter into any such contract as it deems to be**
55 **in the public interest and in furtherance of the purposes of sections 99.915 to 99.980;**
56 **provided that the municipality or authority has, not less than ten days prior thereto,**
57 **notified the governing body in writing of its intention to enter into such contract.**
58 **Thereafter, the municipality or authority may execute such contract in accordance with**
59 **the provisions of subdivision (1) of this section and deliver deeds, leases, and other**
60 **instruments and take all steps necessary to effectuate such contract. In its discretion,**
61 **the municipality or authority may, in accordance with the provisions of this subdivision,**
62 **dispose of any real property in an area selected for an expanded development project, or**
63 **any portion thereof, to a developer for an expanded development project.**

64 (3) In carrying out a development project **or expanded development project, as**
65 **applicable**, the authority may:

66 (a) Convey to the municipality such real property as, in accordance with the
67 development plan **or expanded development plan, as applicable**, is to be dedicated as
68 public right-of-way for streets, sidewalks, alleys, or other public ways, this power being
69 additional to and not limiting any and all other powers of conveyance of property to
70 municipalities expressed, generally or otherwise, in sections 99.915 to 99.980;

71 (b) Grant servitudes, easements, and rights-of-way for public utilities, sewers, streets,
72 and other similar facilities, in accordance with the development plan **or expanded**
73 **development plan, as applicable**; and

74 (c) Convey to the municipality or other appropriate public body such real property as,
75 in accordance with the development plan **or expanded development plan, as applicable**, is
76 to be used for parks, schools, public buildings, facilities, or other public purposes;

77 (4) The municipality or authority may operate and maintain real property in the
78 development area **or expanded development area, as applicable**, pending the disposition or
79 development of the property in accordance with a development plan **or expanded**
80 **development plan, as applicable**, without regard to the provisions of subdivisions (1) and
81 (2) of this section, for such uses and purposes as may be deemed desirable even though not in
82 conformity with the development plan **or expanded development plan, as applicable**.

99.942. 1. A development plan **or expanded development plan, as applicable**, shall
2 set forth in writing a general description of the program to be undertaken to accomplish the
3 development projects **or expanded development projects, as applicable**, and related
4 objectives and shall include, but need not be limited to:

- 5 (1) The name, street and mailing address, and phone number of the mayor or chief
6 executive officer of the municipality;
- 7 (2) The street address of the development site **or expanded development site, as**
8 **applicable;**
- 9 (3) The three-digit North American Industry Classification System number or
10 numbers characterizing the development project **or expanded development project, as**
11 **applicable;**
- 12 (4) The estimated development project costs **or expanded development project**
13 **costs, as applicable;**
- 14 (5) The anticipated sources of funds to pay such development project costs **or**
15 **expanded development projects costs, as applicable;**
- 16 (6) Evidence of the commitments to finance such development project costs **or**
17 **expanded development project costs, as applicable;**
- 18 (7) The anticipated type and term of the sources of funds to pay such development
19 project costs **or expanded development project costs, as applicable;**
- 20 (8) The anticipated type and terms of the obligations to be issued;
- 21 (9) The most recent equalized assessed valuation of the property within the
22 development project area **or expanded development project area, as applicable;**
- 23 (10) An estimate as to the equalized assessed valuation after the development project
24 area **or expanded development project area, as applicable,** is developed in accordance with
25 a development plan **or expanded development plan, respectively;**
- 26 (11) The general land uses to apply in the development area **or expanded**
27 **development area, as applicable;**
- 28 (12) The total number of individuals employed in the development area **or expanded**
29 **development area, as applicable,** categorized by full-time, part-time, and temporary
30 positions;
- 31 (13) The total number of full-time equivalent positions in the development area **or**
32 **expanded development area, as applicable;**
- 33 (14) The current gross wages, state income tax withholdings, and federal income tax
34 withholdings for individuals employed in the development area **or expanded development**
35 **area, as applicable;**
- 36 (15) The total number of individuals employed in this state by the corporate parent of
37 any business benefitting from public expenditures in the development area, and all
38 subsidiaries thereof, as of December thirty-first of the prior fiscal year, categorized by full-
39 time, part-time, and temporary positions;
- 40 (16) The number of new jobs **and retained jobs, if applicable,** to be created by any
41 business [~~benefitting from public expenditures~~] in the development area **or expanded**

42 **development area, as applicable**, categorized by full-time, part-time, and temporary
43 positions;

44 (17) The average hourly wage to be paid to all current and new employees at the
45 project site **of a development project**, categorized by full-time, part-time, and temporary
46 positions;

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

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

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

55 (21) A list of all development subsidies that any business benefitting from public
56 expenditures in the development area **or expanded development area, as applicable**, has
57 previously received for the project, and the name of any other granting body from which such
58 subsidies are sought;

59 (22) A list of all other public investments made or to be made by this state or units of
60 local government to support infrastructure or other needs generated by the project for which
61 the funding pursuant to ~~[this act]~~ **sections 99.915 to 99.980** is being sought;

62 (23) A statement as to whether the development project **or expanded development**
63 **project, as applicable**, may reduce employment at any other site, within or without of the
64 state, resulting from automation, merger, acquisition, corporate restructuring, relocation, or
65 other business activity. **For an expanded development project, a statement as to whether**
66 **such jobs may be retained jobs;**

67 (24) A statement as to whether or not the project involves the relocation of work from
68 another address and if so, the number of jobs to be relocated and the address from which they
69 are to be relocated. **For an expanded development project, a statement as to whether**
70 **such jobs may be retained jobs;**

71 (25) A list of businesses that are competing with the business benefitting from the
72 development plan in the county containing the development area and in each contiguous
73 county;

74 (26) A market study for the development area **or expanded development area, as**
75 **applicable;** and

76 (27) **An expanded development plan shall include a description of any**
77 **amendment to or modification of a development area sought in conjunction with an**
78 **expanded development project and a description of any amendment to or modification**

79 **of a development project area sought in conjunction with an expanded development**
80 **project;**

81 **(28) The total number of natural persons residing in the expanded development**
82 **area in the baseline year, if a municipal residential earnings tax increment or state**
83 **residential income tax increment is sought to be included in funding;**

84 **(29) For an expanded development area, the identity of the developer;**

85 **(30) For an expanded development area, an explanation of how the area is in the**
86 **central business district and either furthers the development of the major initiative or**
87 **has structures in the area fifty percent or more of which have an age of thirty-five years**
88 **or more; and**

89 **(31) A certification by the chief officer of the applicant as to the accuracy of the**
90 **development plan or expanded development plan, as applicable.**

91 2. For any home rule city with more than four hundred thousand inhabitants and
92 located in more than one county, for any county with a charter form of government and with
93 more than one million inhabitants, any county of the first classification with more than one
94 hundred thirty-five thousand four hundred but less than one hundred thirty-five thousand five
95 hundred inhabitants and any municipality within the county, and for any city not within a
96 county, the authority shall be required in connection with the designation of the development
97 area, development projects, and development project areas, to work with local community
98 development corporations, as defined in subsection 3 of section 135.400, with a goal that over
99 the term of the development plan five percent of the funds generated pursuant to section
100 99.957 will be expended in connection with such projects through the community
101 development revolving fund created pursuant to section 99.939.

102 3. The development plan **or expanded development plan, as applicable**, may be
103 adopted by a municipality in reliance on findings that a reasonable person would believe:

104 (1) The development area **or expanded development area, as applicable**, on the
105 whole is a blighted area or a conservation area. Such a finding shall include, but not be
106 limited to, a detailed description of the factors that qualify the development area or project **or**
107 **expanded development area or project, as applicable** pursuant to this subsection, a written
108 statement, signed by members of the governing body of the municipality or authority
109 confirming that the information has been independently reviewed by the members of the
110 governing body of the municipality or authority with due diligence to confirm its accuracy,
111 truthfulness, and completeness. The study shall be of sufficient specificity to allow
112 representatives of the authority or the municipality to conduct investigations deemed
113 necessary in order to confirm its findings;

114 (2) The development area **or expanded development area, as applicable**, has not
115 been subject to growth and development through investment by private enterprise and would

116 not reasonably be anticipated to be developed without the implementation of one or more
117 development projects **or expanded development projects, as applicable**, and the adoption
118 of local and state development financing;

119 (3) The development plan **or expanded development plan, as applicable**, conforms
120 to the comprehensive plan for the development of the municipality as a whole;

121 (4) The estimated dates, which shall not be more than ~~twenty-five~~ **thirty** years from
122 the adoption of the ordinance approving any development project **or expanded development**
123 **project, as applicable**, of the completion of such development project **or expanded**
124 **development project, as applicable**, and retirement of obligations incurred to finance
125 development project costs **or expanded development project costs, as applicable**, have
126 been stated, provided that no ordinance approving a development project **or expanded**
127 **development project, as applicable**, shall be adopted later than fifteen years from the
128 adoption of the ordinance approving the development plan **or expanded development plan,**
129 **as applicable**, and provided that no property for a development project **or expanded**
130 **development project, as applicable**, shall be acquired by eminent domain later than ten
131 years from the adoption of the ordinance approving such development plan **or expanded**
132 **development plan, as applicable**;

133 (5) In the event any business or residence is to be relocated as a direct result of the
134 implementation of the development plan **or expanded development plan, as applicable**, a
135 plan has been developed for relocation assistance for businesses and residences;

136 (6) A cost-benefit analysis showing the economic impact of the development plan **or**
137 **expanded development plan, as applicable**, on the municipality and school districts that are
138 at least partially within the boundaries of the development area **or expanded development**
139 **area, as applicable**. The analysis shall show the impact on the economy if the development
140 projects **or expanded development projects, as applicable**, are not built pursuant to the
141 development plan **or expanded development plan, as applicable**, under consideration. The
142 cost-benefit analysis shall include a fiscal impact study on each municipality and school
143 district which is at least partially within the boundaries of the development area **or expanded**
144 **development area, as applicable**, and sufficient information from the authority to evaluate
145 whether each development project **or expanded development project, as applicable**, as
146 proposed is financially feasible;

147 (7) The development plan does not include the initial development or redevelopment
148 of any gambling establishment; and

149 (8) An economic feasibility analysis including a pro forma financial statement
150 indicating the return on investment that may be expected without public assistance. The
151 financial statement shall detail any assumptions made, a pro forma statement analysis
152 demonstrating the amount of assistance required to bring the return into a range deemed

153 attractive to private investors, which amount shall not exceed the estimated reimbursable
154 project costs.

99.948. 1. A municipality which has created an authority pursuant to section 99.921
2 may:

3 (1) Approve by ordinance the exercise by the authority of the powers, functions, and
4 duties of the authority under sections 99.915 to 99.980; and

5 (2) After adopting an ordinance in accordance with subdivision (1) of this subsection
6 and after receipt of recommendations from the authority in accordance with ~~[subsection]~~
7 **subsections 3 and 4** of this section, by ordinance, designate development areas **or expanded**
8 **development areas**, adopt the development plans and development projects **or adopt**
9 **expanded development plans and expanded development projects**, designate a
10 development project area for each development project adopted **or designate an expanded**
11 **development project area for each expanded development project adopted**, and adopt
12 development financing for each such development project area **or adopt development**
13 **financing for each such expanded development project area**. No development plan **or**
14 **expanded development plan, as applicable**, may be adopted until the development area **or**
15 **expanded development area, as applicable**, is designated. No development project **or**
16 **expanded development project, as applicable**, shall be adopted until the development plan
17 **or expanded development plan, as applicable**, is adopted and the development project area
18 for each development project **or the expanded development project area for each**
19 **expanded development project, as applicable**, shall be designated at the time of adopting
20 the development project **or expanded development project, as applicable**.

21 2. A municipality may authorize an authority created pursuant to section 99.921 to
22 exercise all powers and perform all functions of a transportation development district
23 pursuant to sections 238.200 to ~~[238.275]~~ **238.280** within a development area **or expanded**
24 **development area, as applicable**. **An expanded development project shall not, by virtue**
25 **of receiving increments under section 99.915 to 99.980, be rendered ineligible to**
26 **participate in the programs established by sections 67.1401 to 67.1571, 100.010 to**
27 **100.200, and 238.200 to 238.280.**

28 3. **With respect to development plans and development areas**, the municipality or
29 authority shall hold public hearings and provide notice pursuant to sections 99.957 and
30 99.960. Within ten days following the completion of any such public hearing, the authority
31 shall vote on and shall make recommendation to the governing body of the municipality with
32 regard to any development plan, development projects, designation of a development area or
33 amendments thereto which were proposed at such public hearing.

34 4. **The municipality or authority shall consider and approve any expanded**
35 **development plan, expanded development project, designation of an expanded**

36 **development area or amendments thereto, modification of a development area or**
37 **development project area, and, to the extent required under section 99.951, amendments**
38 **thereto at a meeting held in accordance with chapter 610.**

99.951. 1. Prior to the adoption of the ordinance designating a development area,
2 adopting a development plan, or approving a development project, the municipality or
3 authority shall fix a time and place for a public hearing and notify each taxing district located
4 wholly or partially within the boundaries of the proposed development area or development
5 project area affected. Such notice shall comply with the provisions of subsection 2 of this
6 section. At the public hearing any interested person or affected taxing district may file with
7 the municipality or authority written objections to, or comments on, and may be heard orally
8 in respect to, any issues regarding the plan or issues embodied in the notice. The municipality
9 or authority shall hear and consider all protests, objections, comments, and other evidence
10 presented at the hearing. The hearing may be continued to another date without further notice
11 other than a motion to be entered upon the minutes fixing the time and place of the
12 subsequent hearing. Prior to the conclusion of the hearing, changes may be made in the
13 development plan, development project, development area or development project area,
14 provided that written notice of such changes is available at the public hearing. After the
15 public hearing but prior to the adoption of an ordinance designating a development area,
16 adopting a development plan or approving a development project, changes may be made to
17 any such proposed development plan, development project, development area, or
18 development project area without a further hearing, if such changes do not enlarge the
19 exterior boundaries of the development area, and do not substantially affect the general land
20 uses established in a development plan or development project, provided that notice of such
21 changes shall be given by mail to each affected taxing district and by publication in a
22 newspaper of general circulation in the development area or development project area, as
23 applicable, not less than ten days prior to the adoption of the changes by ordinance. After the
24 adoption of an ordinance designating the development area, adopting a development plan,
25 approving a development project, or designating a development project area, no ordinance
26 shall be adopted altering the exterior boundaries of the development area or a development
27 project area affecting the general land uses established pursuant to the development plan or
28 the general nature of a development project without holding a public hearing in accordance
29 with this section. One public hearing may be held for the simultaneous consideration of a
30 development area, development plan, development project, or development project area.

31 2. Notice of the public hearing required by this section shall be given by publication
32 and mailing. Notice by publication shall be given by publication at least twice, the first
33 publication to be not more than thirty days and the second publication to be not more than ten
34 days prior to the hearing, in a newspaper of general circulation in the proposed development

35 area or development project area, as applicable, and in two minority newspapers, if such
36 newspapers are published in the municipality, of which one shall be published in the Spanish
37 language, if such a newspaper is published in the municipality. Notice by mailing shall be
38 given by depositing such notice in the United States mail by certified mail addressed to the
39 person or persons in whose name the general taxes for the last preceding year were paid on
40 each lot, block, tract, or parcel of land lying within the proposed development area or
41 development project area, as applicable, which is to be subjected to the payment or payments
42 in lieu of taxes and economic activity taxes pursuant to section 99.957. Such notice shall be
43 mailed not less than ten working days prior to the date set for the public hearing. In the event
44 taxes for the last preceding year were not paid, the notice shall also be sent to the persons last
45 listed on the tax rolls within the preceding three years as the owners of such property.

46 3. The notices issued pursuant to this section shall include the following:

47 (1) The time and place of the public hearing;

48 (2) The general boundaries of the proposed development area or development project
49 area, as applicable, by street location, where possible;

50 (3) A statement that all interested persons shall be given an opportunity to be heard at
51 the public hearing;

52 (4) A description of the development plan and the proposed development projects and
53 a location and time where the entire development plan or development projects proposed may
54 be reviewed by any interested party;

55 (5) An estimate of other net new revenues;

56 (6) A statement that development financing involving tax revenues and payments in
57 lieu of taxes is being sought for the project and an estimate of the amount of local
58 development financing that will be requested, if applicable; and

59 (7) Such other matters as the municipality or authority may deem appropriate.

60 4. Not less than forty-five days prior to the date set for the public hearing, the
61 municipality or authority shall give notice by mail as provided in subsection 2 of this section
62 to all taxing districts with jurisdiction over taxable property in the development area or
63 development project area, as applicable, and in addition to the other requirements pursuant to
64 subsection 3 of this section, the notice shall include an invitation to each taxing district to
65 submit comments to the municipality or authority concerning the subject matter of the hearing
66 prior to the date of the hearing.

67 5. **Prior to the adoption of an ordinance designating an expanded development**
68 **area, approving an expanded development plan or expanded development project, or**
69 **modifying a development area or development project area, as applicable, the**
70 **municipality or authority shall notify each affected taxing district located wholly or**
71 **partially within the boundaries of the proposed expanded development area or**

72 **expanded development project area, as applicable, of the date of the meeting at which**
73 **such ordinance shall be considered. Such notice shall comply with chapter 610, contain**
74 **a summary of the ordinance, and be provided not less than forty-five days prior to the**
75 **date set for the meeting. At the meeting, any interested person or affected taxing district**
76 **may file with the municipality or authority written objections to, or comments on, and**
77 **may be heard orally in respect to, any issues regarding the plan, project, or areas**
78 **embodied in the ordinance. The municipality or authority shall hear and consider all**
79 **protests, objections, comments, and other evidence presented at the meeting. The**
80 **ordinance may be considered at subsequent meetings subject to any notice requirements**
81 **applicable under chapter 610. Prior to adoption of an ordinance designating an**
82 **expanded development area, approving an expanded development plan or expanded**
83 **development project, or modifying a development area or development project area, as**
84 **applicable, changes may be made to the proposed expanded development area,**
85 **expanded development plan, expanded development project, or development area or**
86 **development project area modification, as applicable, so long as such changes are**
87 **identified during the meeting at which the adoption of the ordinance is considered,**
88 **recorded in the minutes of such meeting, and are subject to public comment during the**
89 **meeting. After adoption of the ordinance, changes may be made to the expanded**
90 **development area, expanded development plan, expanded development project, or**
91 **development area or development project area modifications, as applicable, so long as**
92 **the areas, plan, project, or modification remain generally consistent with that approved**
93 **by the ordinance. Any change which would render the expanded development area,**
94 **expanded development plan, expanded development project, or development area or**
95 **development project area modification not generally consistent with the approved**
96 **ordinance shall be considered and approved only at a meeting held in accordance with**
97 **chapter 610.**

98 **6.** A copy of any and all hearing notices required by this section shall be submitted by
99 the municipality or authority to the director of the department of economic development and
100 the date such notices were mailed or published, as applicable.

99.954. 1. For the purpose of financing development project costs **or expanded**
2 **development project costs, as applicable,** obligations may be issued by the municipality, or,
3 at the request of the municipality, by the authority or any other political subdivision
4 authorized to issue bonds, but in no event by the state, to pay or reimburse development
5 project costs **or expanded development project costs, as applicable.** Such obligations,
6 when so issued, shall be retired in the manner provided in the ordinance or resolution
7 authorizing the issuance of such obligations.

8 2. Obligations issued pursuant to sections 99.915 to 99.980 may be issued in one or
9 more series bearing interest at such rate or rates as the issuing entity shall determine by
10 ordinance or resolution. Such obligations shall bear such date or dates, be in such
11 denomination, carry such registration privileges, be executed in such manner, be payable in
12 such medium of payment at such place or places, contain such covenants, terms, and
13 conditions, and be subject to redemption as such ordinance or resolution shall provide.
14 Obligations issued pursuant to sections 99.915 to 99.980 may be sold at public or private sale
15 at such price as shall be determined by the issuing entity and shall state that obligations issued
16 pursuant to sections 99.915 to 99.980 are special obligations payable solely from the funds
17 specifically pledged. No referendum approval of the electors shall be required as a condition
18 to the issuance of obligations pursuant to sections 99.915 to 99.980.

19 3. In the event the obligations contain a recital that they are issued pursuant to
20 sections 99.915 to 99.980, such recital shall be conclusive evidence of their validity and of the
21 regularity of their issuance.

22 4. Neither the municipality, the authority, or any other entity issuing such obligations,
23 or the members, commissioners, directors, or the officers of any such entities nor any person
24 executing any obligation shall be personally liable for such obligation by reason of the
25 issuance thereof. The obligations issued pursuant to sections 99.915 to 99.980 shall not be a
26 general obligation of the state, the municipality, or any political subdivision thereof, nor in
27 any event shall such obligation be payable out of any funds or properties other than those
28 specifically pledged as security for such obligations. The obligations shall not constitute
29 indebtedness within the meaning of any constitutional, statutory, or charter debt limitation or
30 restriction.

31 5. Obligations issued pursuant to sections 99.915 to 99.980 may be issued to refund,
32 in whole or in part, obligations theretofore issued by such entity pursuant to the authority of
33 sections 99.915 to 99.980, whether at or prior to maturity; provided, however, that the last
34 maturity of the refunding obligations shall not be expressed to mature later than the last
35 maturity date of the obligations to be refunded.

36 6. In the event a municipality or authority issues obligations under home rule powers
37 or other legislative authority, the proceeds of which are pledged to pay for development
38 project costs **or expanded development project costs, as applicable**, the municipality may
39 retire such obligations from funds in the special allocation fund in amounts and in such
40 manner as if such obligations had been issued pursuant to the provisions of sections 99.915 to
41 99.980.

42 7. State supplemental downtown development financing shall not be used for retiring
43 or refinancing debt or obligations on a previously publicly financed redevelopment project
44 without express approval from the director of the department of economic development ~~and~~

45 ~~the Missouri development finance board~~. No approval shall be granted unless the application
46 for state supplemental downtown development financing contains development projects **or**
47 **expanded development projects, as applicable**, that are new projects which were not a part
48 of the development projects for which there is existing public debt or obligations.

99.957. 1. A municipality, after designating a development area, adopting a
2 development plan, and adopting any development project in conformance with the procedures
3 of sections 99.915 to 99.980, may adopt development financing for the development project
4 area selected for any such development project **or for the expanded development project**
5 **area selected for any expanded development project, as applicable**, by passing an
6 ordinance. Upon the adoption of the first of any such ordinances, the municipality shall
7 establish, or shall direct the authority to establish, a special allocation fund for the
8 development area **or expanded development area, as applicable**.

9 2. Immediately upon the adoption of a resolution or ordinance adopting development
10 financing for a development project area **or expanded development project area, as**
11 **applicable**, pursuant to subsection 1 of this section, the county assessor shall determine the
12 total equalized assessed value of all taxable real property within such development project
13 area **or expanded development project area, as applicable**, by adding together the most
14 recently ascertained equalized assessed value of each taxable lot, block, tract, or parcel of real
15 property within such development project area **or expanded development project area, as**
16 **applicable**, as of the date of the adoption of such resolution or ordinance and shall provide to
17 the clerk of the municipality written certification of such amount as the total initial equalized
18 assessed value of the taxable real property within such development project area **or expanded**
19 **development project area, as applicable**.

20 3. In each of the twenty-five calendar years following the adoption of an ordinance
21 adopting development financing for a development project area **or expanded development**
22 **project area, as applicable**, pursuant to subsection 1 of this section unless and until
23 development financing for such development project area **or expanded development project**
24 **area, as applicable**, is terminated by ordinance of the municipality, the ad valorem taxes, and
25 payments in lieu of taxes, if any, arising from the levies upon taxable real property in such
26 development project area by taxing districts at the tax rates determined in the manner
27 provided in section 99.968 shall be divided as follows:

28 (1) That portion of taxes, penalties, and interest levied upon each taxable lot, block,
29 tract, or parcel of real property in such development project area **or expanded development**
30 **project area, as applicable**, which is attributable to the initial equalized assessed value of
31 each such taxable lot, block, tract, or parcel of real property in such development project area
32 as certified by the county assessor in accordance with subsection 2 of this section shall be
33 allocated to and, when collected, shall be paid by the collecting authority to the respective

34 affected taxing districts in the manner required by law in the absence of the adoption of
35 development financing;

36 (2) Payments in lieu of taxes attributable to the increase in the current equalized
37 assessed valuation of each taxable lot, block, tract, or parcel of real property in the
38 development project area **or expanded development project area, as applicable**, and any
39 applicable penalty and interest over and above the initial equalized assessed value of each
40 such taxable lot, block, tract, or parcel of real property in such development project area **or**
41 **expanded development project area, as applicable**, as certified by the county assessor in
42 accordance with subsection 2 of this section shall be allocated to and, when collected, shall be
43 paid to the collecting officer of the municipality who shall deposit such payment in lieu of
44 taxes into a separate segregated account for payments in lieu of taxes within the special fund.
45 Payments in lieu of taxes which are due and owing shall constitute a lien against the real
46 property from which such payments in lieu of taxes are derived and shall be collected in the
47 same manner as real property taxes, including the assessment of penalties and interest where
48 applicable. The lien of payments in lieu of taxes may be foreclosed in the same manner as the
49 lien of real property taxes. No part of the current equalized assessed valuation of each taxable
50 lot, block, tract, or parcel of property in any such development project area **or expanded**
51 **development project area, as applicable**, attributable to any increase above the initial
52 equalized assessed value of each such taxable lot, block, tract, or parcel of real property in
53 such development project area **or expanded development project area, as applicable**, as
54 certified by the county assessor in accordance with subsection 2 of this section shall be used
55 in calculating the general state school aid formula provided for in section 163.031 until
56 development financing for such development project area expires or is terminated in
57 accordance with sections 99.915 to 99.980;

58 (3) For purposes of this section, "levies upon taxable real property in such
59 development area **or expanded development project area, as applicable**, by taxing
60 districts" shall not include the blind pension fund tax levied under the authority of Section 38
61 (b), Article III, of the Missouri Constitution, the merchants' and manufacturers' inventory
62 replacement tax levied under the authority of subsection 2 of Section 6, Article X of the
63 Missouri Constitution, the desegregation sales tax, or the conservation taxes.

64 4. In each of the twenty-five calendar years, **or at the option of the municipality up**
65 **to thirty calendar years**, following the adoption of an ordinance or resolution adopting
66 development financing for a development project area **or expanded development project**
67 **area, as applicable**, pursuant to subsection 1 of this section unless and until development
68 financing for such development project area is terminated in accordance with sections 99.915
69 to 99.980, fifty percent, **or at the option of the municipality a higher percentage**, of the
70 economic activity taxes from such development project area **or expanded development**

71 **project area, as applicable**, shall be allocated to, and paid by the collecting officer of any
72 such economic activity tax to, the treasurer or other designated financial officer of the
73 municipality, who shall deposit such funds in a separate segregated account for economic
74 activity taxes within the special allocation fund. Provided however, in any county, the
75 governing body of the county may, by resolution, exclude any portion of any countywide
76 sales tax of such county.

77 5. In no event shall a municipality collect and deposit economic activity taxes in the
78 special allocation fund unless the ~~[developing]~~ **development project or expanded**
79 **development project, as applicable**, has been approved for state supplemental downtown
80 development financing pursuant to section 99.960.

81 6. **In each of the twenty-five calendar years, or at the option of the municipality**
82 **up to thirty calendar years, following the adoption of an ordinance or resolution**
83 **adopting development financing for an expanded development project area pursuant to**
84 **subsection 1 of this section unless and until development financing for such expanded**
85 **development project area is terminated in accordance with sections 99.915 to 99.980,**
86 **seventy percent, or at the option of the municipality a higher percentage, of the**
87 **municipal residential earnings tax increment from such expanded development project**
88 **area shall be allocated to, and paid by the collecting officer of any such municipal**
89 **residential earnings tax to, the treasurer or other designated financial officer of the**
90 **municipality, who shall deposit such funds in a separate segregated account for**
91 **municipal residential earnings taxes within the special allocation fund. This section**
92 **shall not apply to a municipality that, in the determination of the department, has**
93 **adopted an ordinance that allocates a sufficient amount of the additional economic**
94 **activity taxes to the expanded development project for the period for which other net**
95 **new revenues are sought from the state to substitute for the municipal residential**
96 **earnings tax amount in this section. For purposes of this subsection, "additional**
97 **economic activity taxes" means economic activity taxes above the percentage required**
98 **in subsection 4 of this section but is limited to taxes the municipality has determined are**
99 **legally permissible to be used for the expanded development project costs including, but**
100 **not limited to, taxes imposed under sections 92.111 to 92.200, 94.510, 94.577, and**
101 **144.032.**

99.960. 1. A municipality shall submit an application to the department of economic
2 development for review and ~~[submission of an analysis and recommendation to the Missouri~~
3 ~~development finance board for]~~ a determination as to approval of the disbursement of the
4 project costs of one or more development projects **or expanded development projects, as**
5 **applicable**, from the state supplemental downtown development fund. ~~[The department of~~
6 ~~economic development shall forward the application to the Missouri development finance~~

7 ~~board with the analysis and recommendation.]~~ In no event shall any approval authorize a
8 disbursement of one or more development projects **or expanded development projects, as**
9 **applicable**, from the state supplemental downtown development fund which exceeds the
10 allowable amount of other net new revenues derived from the development area **or expanded**
11 **development area, as applicable**. An application submitted to the department of economic
12 development shall contain the following, in addition to the items set forth in section 99.942:

13 (1) ~~[An estimate]~~ **A certification that for a minimum of twenty-five years** one
14 hundred percent of the payments in lieu of taxes and economic activity taxes **and, for**
15 **expanded development projects, if applicable under subsection 6 of section 99.957, one**
16 **hundred percent of the municipal residential earnings tax increment** deposited to the
17 special allocation fund must and will be used to pay development project costs **or expanded**
18 **development project costs, as applicable**, or obligations issued to finance development
19 project costs **or expanded development project costs, as applicable**, to achieve the
20 objectives of the development plan **or expanded development plan, as applicable**.
21 Contributions to the development project **or expanded development project, as applicable**,
22 from any private not-for-profit organization or local contributions from tax abatement or other
23 sources may be substituted on a dollar-for-dollar basis for the local match of one hundred
24 percent of payments in lieu of taxes, ~~and~~ economic activity taxes, **and the municipal**
25 **residential earnings tax increment** from the fund;

26 (2) Identification of the existing businesses located within the development project
27 area **or expanded development project area, as applicable**, and the development area **or**
28 **expanded development area, as applicable**;

29 (3) The aggregate baseline year amount of state sales tax revenues and the aggregate
30 baseline year amount of state income tax withheld on behalf of existing employees, reported
31 by existing businesses within the development project area **or expanded development**
32 **project area, as applicable**. Provisions of section 32.057 notwithstanding, municipalities
33 will provide this information to the department of revenue for verification. The department of
34 revenue will verify the information provided by the municipalities within forty-five days of
35 receiving a request for such verification from a municipality;

36 (4) An estimate of the state sales tax increment and state income tax increment within
37 the development project area **or expanded development project area, as applicable**, after
38 redevelopment;

39 (5) **The total number of natural persons residing in the expanded development**
40 **area and each expanded development project area in the baseline year, if state**
41 **residential income tax increment is sought to be included in other net new revenues**;

42 (6) **An estimate of the number of primarily residential buildings and the number**
43 **of residential units in such buildings to be in the expanded development area and each**

44 **expanded development project area, regardless of the inclusion of mixed uses within a**
45 **portion of the building after redevelopment;**

46 (7) **An estimate of the occupancy rate for each residential building and total**
47 **projected income for natural persons residing in leased or occupied residential units in**
48 **the expanded development area and each expanded development project area after**
49 **redevelopment;**

50 (8) **An estimate of the state residential income tax increment within the**
51 **expanded development area and each expanded development project area, after**
52 **redevelopment;**

53 (9) **For an expanded development area, the identity of the developer, and if an**
54 **affiliate of the developer of the development area, documentation substantiating the**
55 **relationship;**

56 (10) **An affidavit that is signed by the developer or developers attesting that the**
57 **provision of subdivision (2) of subsection 3 of section 99.942 has been met and specifying**
58 **that the development area would not be reasonably anticipated to be developed without the**
59 **appropriation of the other net new revenues. For expanded development areas, the**
60 **affidavit shall apply to the development area and the associated expanded development**
61 **area together;**

62 ~~[(6)]~~ (11) **The amounts and types of other net new revenues sought by the applicant to**
63 **be disbursed from the state supplemental downtown development fund over the term of the**
64 **development plan or expanded development plan, as applicable;**

65 ~~[(7)]~~ (12) **The methodologies and underlying assumptions used in determining the**
66 **estimate of the state sales tax increment, ~~and~~ the state income tax increment, and the state**
67 **residential income tax increment; and**

68 ~~[(8)]~~ (13) **Any other information reasonably requested by the department of economic**
69 **development ~~[and the Missouri development finance board].~~**

70 2. **The department of economic development shall make all reasonable efforts to**
71 **process applications within sixty days of receipt of the application.**

72 3. **The ~~[Missouri development finance board] department of economic~~**
73 **development shall make a determination regarding the application for a certificate**
74 **allowing disbursements from the state supplemental downtown development fund ~~and~~**
75 **~~shall forward such determination to the director of the department of economic development].~~**

76 **In no event shall the amount of disbursements from the state supplemental downtown**
77 **development fund approved for a project, in addition to any other state economic**
78 **development funding or other state incentives, exceed the projected state benefit of the**
79 **development project or expanded development project, as applicable, as determined by the**
80 **department of economic development through a cost-benefit analysis. Any political**

81 subdivision located either wholly or partially within the development area shall be permitted
82 to submit information to the department of economic development for consideration in its
83 cost-benefit analysis. Upon approval of state supplemental downtown development
84 financing, a certificate of approval shall be issued by the department of economic
85 development containing the terms and limitations of the disbursement.

86 4. At no time shall the annual amount of other net new revenues approved for
87 disbursements from the state supplemental downtown development fund exceed one hundred
88 eight million dollars.

89 5. Development projects **or expanded development projects, as applicable,**
90 receiving disbursements from the state supplemental downtown development fund shall be
91 limited to receiving such disbursements for fifteen years, unless specific approval for a longer
92 term is given by the director of the department of economic development, as set forth in the
93 certificate of approval; except that, in no case shall the duration exceed ~~[twenty-five]~~ **thirty**
94 years. **The department shall not approve a duration of other net new revenues in excess**
95 **of the number of years that the municipality has allocated economic activity taxes and, if**
96 **applicable, municipal residential income tax, to the development project or expanded**
97 **development project, as applicable.** The approved term notwithstanding, state
98 supplemental downtown development financing shall terminate when development
99 financing for a development project **or expanded development project, as applicable,** is
100 terminated by a municipality.

101 6. The municipality shall deposit payments received from the state supplemental
102 downtown development fund in a separate segregated account for other net new revenues
103 within the special allocation fund.

104 7. Development project costs **or expanded development project costs, as**
105 **applicable,** may include, at the prerogative of the state, the portion of salaries and
106 expenses of the department of economic development, ~~[the Missouri development finance~~
107 ~~board,]~~ and the department of revenue reasonably allocable to each development project **or**
108 **expanded development project, as applicable,** approved for disbursements from the state
109 supplemental downtown development fund for the ongoing administrative functions
110 associated with such development project **or expanded development project, as**
111 **applicable.** Such amounts shall be recovered from other net new revenues deposited into
112 the state supplemental downtown development fund created pursuant to section 99.963.

113 8. A development project **or expanded development project, as applicable,**
114 approved for state supplemental downtown development financing may not thereafter elect to
115 receive tax increment financing pursuant to the real property tax increment allocation
116 redevelopment act, sections 99.800 to 99.865, and continue to receive state supplemental
117 downtown development financing pursuant to sections 99.915 to 99.980.

118 9. The department of economic development~~[, in conjunction with the Missouri~~
119 ~~development finance board,]~~ may establish the procedures and standards for the
120 determination and approval of applications by the promulgation of rules and regulations
121 and publish forms to implement the provisions of this section and section 99.963.

122 10. Any rule or portion of a rule, as that term is defined in section 536.010, that is
123 created under the authority delegated in this section and section 99.963 shall become effective
124 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable,
125 section 536.028. This section, section 99.963, and chapter 536 are nonseverable and if any of
126 the powers vested with the general assembly pursuant to chapter 536 to review, to delay the
127 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then
128 the grant of rulemaking authority and any rule proposed or adopted after August 28, 2003,
129 shall be invalid and void.

130 ~~[11. The Missouri development finance board shall consider parity based on~~
131 ~~population and geography of the state among the regions of the state in making~~
132 ~~determinations on applications pursuant to this section.]~~

99.963. 1. There is hereby established within the state treasury a special fund to be
2 known as the "State Supplemental Downtown Development Fund", to be administered by the
3 department of economic development. Any unexpended balance and any interest in the fund
4 at the end of the biennium shall be exempt from the provisions of section 33.080 relating to
5 the transfer of unexpended balances to the general revenue fund. The fund shall consist of:

6 (1) The first one hundred fifty million dollars of other net new revenues generated
7 annually by the development projects **and expanded development projects, as applicable;**

8 (2) Money received from costs charged pursuant to subsection 7 of section 99.960;
9 and

10 (3) Gifts, contributions, grants, or bequests received from federal, private, or other
11 sources.

12 2. Notwithstanding the provisions of section 144.700 to the contrary, the department
13 of revenue shall annually submit the first one hundred fifty million of other net new revenues
14 generated by the development projects **and expanded development projects** to the treasurer
15 for deposit in the state supplemental downtown development fund.

16 3. The department of economic development shall annually disburse funds from the
17 state supplemental downtown development fund in amounts determined pursuant to the
18 certificates of approval for projects, ~~[providing]~~ **provided** that the amounts of other net new
19 revenues generated from the development area **or expanded development area, as**
20 **applicable**, have been verified and all of the conditions of sections 99.915 to 99.980 **and the**
21 **certificate of approval** are met.

22 If the revenues appropriated by the general assembly from the state supplemental
23 downtown development fund are not sufficient to equal the amounts determined to be
24 disbursed pursuant to such certificates of approval, the department of economic development
25 shall disburse the revenues on a pro rata basis to all such projects and other costs approved
26 pursuant to section 99.960.

27 4. In no event shall the amounts distributed to a project from the state supplemental
28 downtown development fund exceed the ~~lesser~~ **lesser** of the amount of the certificates of
29 approval for projects or the actual other net new revenues generated by the projects, **except in**
30 **the event that the state personal income tax rate is reduced or the tax eliminated and the**
31 **department issues a certificate of approval using the highest marginal state personal**
32 **income tax rate in effect at the time the certificate is issued, as authorized under sections**
33 **99.914 to 99.980, in which case the actual other net new revenues shall be calculated as**
34 **set forth in the certificate.**

35 5. The department of economic development ~~shall not~~ **may decline to** disburse any
36 moneys from the state supplemental downtown development fund for any project which has
37 not complied with the annual reporting requirements of section 99.980.

38 6. Money in the state supplemental downtown development fund may be spent for the
39 reasonable and necessary costs associated with the administration of the program authorized
40 under sections 99.915 to 99.980.

41 7. No municipality shall obligate or commit the expenditure of disbursements
42 received from the state supplemental downtown development fund prior to receiving a
43 certificate of approval for the development project **or expanded development project, as**
44 **applicable**, generating other net new revenues.

45 8. Taxpayers in any development area **or expanded development area, as**
46 **applicable**, who are required to remit sales taxes pursuant to chapter 144 or income tax
47 withholdings pursuant to chapter 143 shall provide additional information to the department
48 of revenue in a form prescribed by the department by rule. Such information shall include but
49 shall not be limited to information upon which other net new revenues can be calculated, and
50 shall include the number of new jobs **and retained jobs, if applicable**, the gross payroll for
51 such jobs, and sales tax generated in the development area **or expanded development area,**
52 **as applicable**, by such taxpayer in the baseline year and during the time period related to the
53 withholding or sales tax remittance.

54 9. Any rule or portion of a rule, as that term is defined in section 536.010, that is
55 created under the authority delegated in this section shall become effective only if it complies
56 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.
57 This section and chapter 536 are nonseverable and if any of the powers vested with the
58 general assembly pursuant to chapter 536 to review, to delay the effective date, or to

59 disapprove and annul a rule are subsequently held unconstitutional, then the grant of
60 rulemaking authority and any rule proposed or adopted after August 28, 2003, shall be invalid
61 and void.

99.965. 1. When all development project costs **or expanded development project costs, as applicable**, and all obligations issued to finance development project costs **or expanded development project costs, as applicable**, have been paid in full, the municipality shall adopt an ordinance terminating development financing for all development project areas **or expanded development project areas, as applicable**, . Immediately upon the adoption of such ordinance, all payments in lieu of taxes, all economic activity taxes, **municipal residential earnings tax increment**, and other net new revenues then remaining in the special allocation fund shall be deemed to be surplus funds; and thereafter, the rates of the taxing districts shall be extended and taxes levied, collected, and distributed in the manner applicable in the absence of the adoption of development financing. Surplus payments in lieu of taxes shall be paid to the county collector who shall immediately thereafter pay such funds to the taxing districts in the development area **or expanded development area, as applicable**, selected in the same manner and proportion as the most recent distribution by the collector to the affected taxing districts of real property taxes from real property in the development area **or expanded development area, as applicable**. Surplus economic activity taxes shall be paid to the taxing districts in the development area **or expanded development area, as applicable**, in proportion to the then current levy rates of such taxing districts that are attributable to economic activity taxes. **Surplus municipal residential earnings tax increment shall be paid to the municipality**. Surplus other net new revenues shall be paid to the state. Any other funds remaining in the special allocation fund following the adoption of an ordinance terminating development financing in accordance with this section shall be deposited to the general fund of the municipality.

2. Upon the payment of all development project costs **or expanded development project costs, as applicable**, retirement of obligations, and the distribution of any surplus funds pursuant to this section, the municipality shall adopt an ordinance dissolving the special allocation fund and terminating the designation of the development area as a development area **or the expanded development area as an expanded development area, as applicable**.

3. Nothing in sections 99.915 to 99.980 shall be construed as relieving property in such areas from paying a uniform rate of taxes, as required by Section 3, Article X of the Missouri Constitution.

99.968. In each of the twenty-five calendar years following the adoption of an ordinance adopting development financing for a development project area **or expanded development project area, as applicable**, unless and until development financing for such development project area **or expanded development project area, as applicable**, is

5 terminated by ordinance of the municipality, then, in respect to every taxing district
6 containing such development project area **or expanded development project area, as**
7 **applicable**, the county clerk, or any other official required by law to ascertain the amount of
8 the equalized assessed value of all taxable property within such development project area **or**
9 **expanded development project area, as applicable**, for the purpose of computing any debt
10 service levies to be extended upon taxable property within such development project area,
11 shall in every year that development financing is in effect **with respect to real property**
12 **taxes** ascertain the amount of value of taxable property in such development project area **or**
13 **expanded development project area, as applicable**, by including in such amount the
14 certified total initial equalized assessed value of all taxable real property in such development
15 project area **or expanded development project area, as applicable**, in lieu of the equalized
16 assessed value of all taxable real property in such development project area. For the purpose
17 of measuring the size of payments in lieu of taxes under sections 99.915 to 99.980, all tax
18 levies shall then be extended to the current equalized assessed value of all property in the
19 development project area **or expanded development project area, as applicable**, in the
20 same manner as the tax rate percentage is extended to all other taxable property in the taxing
21 district.

99.975. 1. No new applications **for a development area, development plan, or**
2 **development project** made pursuant to sections 99.915 to 99.980 shall be approved after
3 January 1, 2013.

4 2. ~~[No applications made pursuant to sections 99.915 to 99.980 shall be approved~~
5 ~~prior to August 28, 2003, except for applications for projects that are located within a county~~
6 ~~for which public and individual assistance has been requested by the governor pursuant to~~
7 ~~section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42~~
8 ~~U.S.C. 5121 et seq., for an emergency proclaimed by the governor pursuant to section 44.100~~
9 ~~due to a natural disaster of major proportions that occurred after May 1, 2003, but prior to~~
10 ~~May 10, 2003, and the development project area is a central business district that sustained~~
11 ~~severe damage as a result of such natural disaster, as determined by the state emergency~~
12 ~~management agency.~~

13 3.] Prior to December 31, 2006, the Missouri development finance board may
14 approve up to two applications made pursuant to sections 99.915 to 99.980 **for a**
15 **development project** ~~[in a home rule city with more than four hundred thousand inhabitants~~
16 ~~and located in more than one county]~~ in which the state sales tax increment for such projects
17 approved pursuant to the provisions of this subsection shall be up to one-half of the
18 incremental increase in all sales taxes levied pursuant to section 144.020. ~~[In no event shall~~
19 ~~the incremental increase include any amounts attributable to retail sales unless the Missouri~~
20 ~~development finance board and the department of economic development are satisfied based~~

21 ~~on information provided by the municipality or authority, and such entities have made a~~
22 ~~finding that a substantial portion of all but a de minimus portion of the sales tax increment~~
23 ~~attributable to retail sales is from new sources which did not exist in the state during the~~
24 ~~baseline year.]~~

25 **3. No new applications for expanded development projects made pursuant to**
26 **sections 99.915 to 99.980 shall be approved after January 1, 2037.**

27 **4. No later than December 31, 2030, a municipality eligible to apply to the**
28 **department for other net new revenues for an expanded development area under section**
29 **99.960 must submit to the department a map or other documentation identifying the**
30 **bounds of the expanded development area to which it will limit itself in its application or**
31 **applications to the department. The submission shall include the projected locations of**
32 **the possible expanded development project areas and a list of possible expanded**
33 **development projects, along with any potential amendments to a development area that**
34 **may be sought in conjunction with an expanded development project. The municipality**
35 **shall be limited to inclusion in any application to the department under section 99.960 to**
36 **the expanded development area identified to the department no later than December 31,**
37 **2030.**

38 **5. The incremental increase for an existing facility shall be the amount of all state**
39 **sales taxes generated pursuant to section 144.020 at the facility in excess of the amount of all**
40 **state sales taxes generated pursuant to section 144.020 at the facility in the baseline year. The**
41 **incremental increase in development project areas or expanded development project areas,**
42 **as applicable, where the baseline year is the year following the year in which the**
43 **development project or expanded development project, as applicable, is approved by the**
44 **municipality pursuant to subdivision (2) of section 99.918 shall be the state sales tax revenue**
45 **generated by out-of-state businesses relocating into a development project area or expanded**
46 **development project area, as applicable. The incremental increase for a Missouri facility**
47 **which relocates to a development project area or expanded development project area, as**
48 **applicable, shall be the amount by which the state sales tax revenue of the facility exceeds**
49 **the state sales tax revenue for the facility in the calendar year prior to relocation.**

99.980. 1. By the last day of February each year, the municipality or authority shall
2 report to the director of the department of economic development the name, address, phone
3 number, and primary line of business of any business which relocates to the development area
4 **or expanded development area, as applicable.**

5 2. Each year the governing body of the municipality, or its designee, shall prepare a
6 report concerning the status of the development plan, the development area, and the included
7 development projects **or the expanded development plan, the expanded development**
8 **area, and the included expanded development projects, as applicable, and shall submit a**

9 copy of such report to the director of the department of economic development. **Unless**
10 **otherwise determined by the department**, the report shall include the following:

11 (1) The name, street and mailing addresses, phone number, and chief officer of the
12 granting body;

13 (2) The name, street and mailing addresses, phone number, and chief officer of any
14 business benefitting from public expenditures in such development plans and projects **or**
15 **expanded development plan and projects, as applicable;**

16 (3) The amount and source of revenue in the special allocation fund;

17 (4) The amount and purpose of expenditures from the special allocation fund;

18 (5) The amount of any pledge of revenues, including principal and interest on any
19 outstanding bonded indebtedness;

20 (6) The original equalized assessed value of the development area **or expanded**
21 **development area, as applicable;**

22 (7) The assessed valuation added to the development area **or expanded development**
23 **area, as applicable;**

24 (8) Payments made in lieu of taxes received and expended;

25 (9) The economic activity taxes generated within the development area **or expanded**
26 **development area, as applicable**, in the baseline year;

27 (10) The economic activity taxes generated within the development area **or extended**
28 **development area, as applicable**, after the baseline year;

29 (11) Reports on contracts made incident to the implementation and furtherance of a
30 development area, the development plan, and the included development projects **or an**
31 **expanded development area, the expanded development plan, and the included**
32 **expanded development projects, as applicable;**

33 (12) A copy of the development plan **or expanded development plan, as applicable;**

34 (13) The cost of any property acquired, disposed of, rehabilitated, reconstructed,
35 repaired, or remodeled;

36 (14) The number of parcels acquired by or through initiation of eminent domain
37 proceedings;

38 (15) For municipalities with more than four hundred thousand inhabitants and located
39 in more than one county, any county with a charter form of government and with more than
40 one million inhabitants, any city not within a county, and any county of the first classification
41 with more than one hundred thirty-five thousand four hundred but less than one hundred
42 thirty-five thousand five hundred inhabitants and any municipality located therein, the
43 number of development projects developed in connection with community development
44 corporations and the amount of funds generated pursuant to section 99.957 which are
45 expended in connection with such project;

46 (16) A summary of the number of net new jobs created **and retained jobs, if**
47 **applicable**, categorized by full-time, part-time, and temporary positions, and by wage groups;

48 (17) The comparison of the total employment in this state by any business, including
49 any corporate parent, benefitting from public expenditures in the development area **or**
50 **expanded development area, as applicable**, on the date of the application compared to such
51 employment on the date of the report, categorized by full-time, part-time, and temporary
52 positions;

53 (18) A statement as to whether public expenditures on any development project **or**
54 **expanded development project, as applicable**, during the previous fiscal year have reduced
55 employment at any other site controlled by any business benefitting from public expenditures
56 in the development area **or expanded development area, as applicable**, or its corporate
57 parent, within or without of this state as a result of automation, merger, acquisition, corporate
58 restructuring, or other business activity;

59 (19) A summary of the other community and economic benefits resulting from the
60 project, consistent with those identified in the application;

61 (20) A signed certification by the chief officer of the authority or municipality as to
62 the accuracy of the progress report; and

63 (21) Any additional reasonable information the department of economic development
64 deems necessary.

65 3. The report shall include an analysis of the distribution of state supplemental
66 downtown development financing by **the municipality** [~~and by economic development~~
67 ~~region, as defined by the department of economic development~~].

68 4. The department shall compile and publish all data from the progress reports in both
69 written and electronic form, including the department's internet website.

70 5. The department shall have access at all reasonable times to the project site and the
71 records of any authority or municipality in order to monitor the development project or
72 projects **or expanded development project or projects, as applicable**, and to prepare
73 progress reports.

74 6. Data contained in the report required pursuant to the provisions of subsection 1 of
75 this section and any information regarding amounts disbursed to municipalities pursuant to
76 the provisions of sections 99.957 and 99.963 shall be deemed a public record, as defined in
77 section 610.010.

78 7. Any municipality failing to file an annual report as required pursuant to this section
79 [~~shall~~] **may be determined by the department to** be ineligible to receive any disbursements
80 from the state supplemental downtown development fund pursuant to section 99.963.

81 8. The [~~Missouri development finance board and the~~] department of economic
82 development shall annually review the reports provided pursuant to this section.

83 9. The director of the department of economic development shall submit a report to
84 the governor, the speaker of the house of representatives, and the president pro tempore of the
85 senate no later than April thirtieth of each year. The report shall contain a summary of all
86 information received by the director of economic development pursuant to subsection 2 of
87 this section.

88 10. An annual statement showing the payments made in lieu of taxes received and
89 expended in that year, the status of the development area **or expanded development area, as**
90 **applicable**, the development plan **or expanded development plan, as applicable**, the
91 development projects in the development plan **or the expended development projects in the**
92 **expanded development plan, as applicable**, the amount of outstanding obligations, and any
93 additional information that the municipality deems necessary shall be published in a
94 newspaper of general circulation in the municipality.

95 11. Five years after the establishment of the development area and the development
96 plan **or the expanded development area and expanded development plan, as applicable**,
97 and **unless otherwise determined by the municipality or authority**, every five years
98 thereafter the governing body of the municipality or authority shall hold a public hearing
99 regarding the development area and the development plan **or the expanded development**
100 **area and the expanded development plan, as applicable**, and the development projects **or**
101 **expanded development projects, as applicable**, adopted pursuant to sections 99.915 to
102 99.980. The purpose of the hearing shall be to determine if the development area **or**
103 **expanded development area, as applicable**, development plan **or expanded development**
104 **plan, as applicable**, and the included development projects **or expanded development**
105 **projects, as applicable**, are making satisfactory progress under the proposed time schedule
106 contained within the approved development plan **or expanded development plan, as**
107 **applicable**, for completion of such development projects **or expanded development**
108 **projects, as applicable**. Notice of such public hearing shall be given in a newspaper of
109 general circulation in the area served by the municipality or authority once each week for four
110 weeks immediately prior to the hearing.

✓