

FIRST REGULAR SESSION

SENATE BILL NO. 397

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SILVEY.

Read 1st time February 4, 2015, and ordered printed.

ADRIANE D. CROUSE, Secretary.

1758S.01I

AN ACT

To repeal sections 67.1421, 67.1422, and 67.1461, RSMo, and to enact in lieu thereof three new sections relating to community improvement districts.

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

Section A. Sections 67.1421, 67.1422, and 67.1461, RSMo, are repealed
2 and three new sections enacted in lieu thereof, to be known as sections 67.1421,
3 67.1422, and 67.1461, to read as follows:

67.1421. 1. Upon receipt of a proper petition filed with its municipal
2 clerk, the governing body of the municipality in which the proposed district is
3 located shall hold a public hearing in accordance with section 67.1431 and may
4 adopt an ordinance to establish the proposed district.

5 2. A petition is proper if, based on the tax records of the county clerk, or
6 the collector of revenue if the district is located in a city not within a county, as
7 of the time of filing the petition with the municipal clerk, it meets the following
8 requirements:

9 (1) It has been signed by property owners collectively owning more than
10 fifty percent by assessed value of the real property within the boundaries of the
11 proposed district;

12 (2) It has been signed by more than fifty percent per capita of all owners
13 of real property within the boundaries of the proposed district; and

14 (3) It contains the following information:

15 (a) The legal description of the proposed district, including a map
16 illustrating the district boundaries;

17 (b) The name of the proposed district;

18 (c) A notice that the signatures of the signers may not be withdrawn later

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

19 than seven days after the petition is filed with the municipal clerk;

20 (d) A five-year plan stating a description of the purposes of the proposed
21 district, the services it will provide, the improvements it will make and an
22 estimate of costs of these services and improvements to be incurred;

23 (e) A statement as to whether the district will be a political subdivision
24 or a not-for-profit corporation and if it is to be a not-for-profit corporation, the
25 name of the not-for-profit corporation;

26 (f) If the district is to be a political subdivision, a statement as to whether
27 the district will be governed by a board elected by the district or whether the
28 board will be appointed by the municipality, and, if the board is to be elected by
29 the district, the names and terms of the initial board may be stated;

30 (g) If the district is to be a political subdivision, the number of directors
31 to serve on the board;

32 (h) The total assessed value of all real property within the proposed
33 district;

34 (i) A statement as to whether the petitioners are seeking a determination
35 that the proposed district, or any legally described portion thereof, is a blighted
36 area;

37 (j) The proposed length of time for the existence of the district;

38 (k) The maximum rates of real property taxes, and, business license taxes
39 in the county seat of a county of the first classification without a charter form of
40 government containing a population of at least two hundred thousand, that may
41 be submitted to the qualified voters for approval;

42 (l) The maximum rates of special assessments and respective methods of
43 assessment that may be proposed by petition;

44 (m) The limitations, if any, on the borrowing capacity of the district;

45 (n) The limitations, if any, on the revenue generation of the district;

46 (o) Other limitations, if any, on the powers of the district;

47 (p) A request that the district be established; and

48 (q) Any other items the petitioners deem appropriate;

49 (4) The signature block for each real property owner signing the petition
50 shall be in substantially the following form and contain the following information:

51 Name of owner:

52 Owner's telephone number and mailing address:

53 If signer is different from owner:

54 Name of signer:

91 and shall specify which requirements have not been met.

92 4. After the close of the public hearing required pursuant to subsection
93 1 of this section, the governing body of the municipality may adopt an ordinance
94 approving the petition and establishing a district as set forth in the petition and
95 may determine, if requested in the petition, whether the district, or any legally
96 described portion thereof, constitutes a blighted area. If the petition was filed by
97 the governing body of a municipality pursuant to subdivision (5) of subsection 2
98 of this section, after the close of the public hearing required pursuant to
99 subsection 1 of this section, the petition may be approved by the governing body
100 and an election shall be called pursuant to section 67.1422.

101 5. Amendments to a petition may be made which do not change the
102 proposed boundaries of the proposed district if an amended petition meeting the
103 requirements of subsection 2 of this section is filed with the municipal clerk at
104 the following times and the following requirements have been met:

105 (1) At any time prior to the close of the public hearing required pursuant
106 to subsection 1 of this section; provided that, notice of the contents of the
107 amended petition is given at the public hearing;

108 (2) At any time after the public hearing and prior to the adoption of an
109 ordinance establishing the proposed district; provided that, notice of the
110 amendments to the petition is given by publishing the notice in a newspaper of
111 general circulation within the municipality and by sending the notice via
112 registered certified United States mail with a return receipt attached to the
113 address of record of each owner of record of real property within the boundaries
114 of the proposed district per the tax records of the county clerk, or the collector of
115 revenue if the district is located in a city not within a county. Such notice shall
116 be published and mailed not less than ten days prior to the adoption of the
117 ordinance establishing the district;

118 (3) At any time after the adoption of any ordinance establishing the
119 district a public hearing on the amended petition is held and notice of the public
120 hearing is given in the manner provided in section 67.1431 and the governing
121 body of the municipality in which the district is located adopts an ordinance
122 approving the amended petition after the public hearing is held.

123 6. Upon the creation of a district, the municipal clerk shall report in
124 writing the creation of such district to the Missouri department of economic
125 development.

67.1422. 1. Notwithstanding sections 67.1531, 67.1545, and 67.1551, if

2 the petition was filed pursuant to subdivision (5) of subsection 2 of section
3 67.1421 by a governing body of the city, the governing body may adopt an
4 ordinance approving the petition and submit a ballot to the qualified voters of the
5 district[;]. The question shall be in substantially the following form:

6 Shall the community improvement district to be known as the
7 "..... Community Improvement District" approved by the
8 (insert governing body) be established for the purpose of (here summarize the
9 proposed improvements and services) and be authorized to impose a real property
10 tax upon (all real property) within the district at a rate of not more than ten
11 cents per hundred dollars assessed valuation for a period of ten years from the
12 date on which such tax is first imposed for the purpose of providing revenue for
13 (insert general description of purpose) in the district?

14 YES NO

15 If you are in favor of the question, place an "X" in the box opposite "YES". If you
16 are opposed to the question, place an "X" in the box opposite "NO"; or

17 **Shall the community improvement district to be known as the**
18 **"..... Community Improvement District" approved by the**
19 **(insert governing body) be established for the purpose of ... (here**
20 **summarize the proposed improvements and services) and be authorized**
21 **to impose a sales and use tax within the district at a maximum rate of**
22 **..... (insert amount) for a period of (insert number) years from the**
23 **date on which such tax is first imposed for the purpose of providing**
24 **revenue for (insert general description of purpose) in the**
25 **district?**

26 YES NO

27 **If you are in favor of the question, place an "X" in the box opposite**
28 **"YES". If you are opposed to the question, place an "X" in the box**
29 **opposite "NO".**

30 The governing body of the city shall not submit the question to the qualified
31 voters of the district on more than one occasion.

32 **2. Within ten days after the qualified voters have approved the**
33 **imposition of the sales and use tax, the district shall, in accordance**
34 **with section 32.087, notify the director of the department of**
35 **revenue. The sales and use tax authorized by this section shall become**
36 **effective on the first day of the second calendar quarter after the**
37 **director of the department of revenue receives notice of the adoption**

38 of such tax.

39 3. The director of the department of revenue shall collect any tax
40 adopted pursuant to this section pursuant to section 32.087.

41 4. In each district in which a sales and use tax is imposed
42 pursuant to this section, every retailer shall add such additional tax
43 imposed by the district to such retailer's sale price, and when so added
44 such tax shall constitute a part of the purchase price, shall be a debt of
45 the purchaser to the retailer until paid and shall be recoverable at law
46 in the same manner as the purchase price.

47 5. In order to allow retailers to collect and report the sales and
48 use tax authorized by this section as well as all other sales and use
49 taxes required by law in the simplest and most efficient manner
50 possible, a district may establish appropriate brackets to be used in the
51 district imposing a tax pursuant to this section in lieu of the brackets
52 provided in section 144.285.

53 6. The penalties provided in sections 144.010 to 144.525 shall
54 apply to violations of this section.

55 7. All revenue received by the district from a sales and use tax
56 imposed pursuant to this section which is designated for a specific
57 purpose shall be deposited into a special trust fund and expended
58 solely for such purpose. Upon the expiration of any sales and use tax
59 adopted pursuant to this section, all funds remaining in the special
60 trust fund shall continue to be used solely for the specific purpose
61 designated in the resolution adopted by the qualified voters. Any funds
62 in such special trust fund which are not needed for current
63 expenditures may be invested by the board of directors pursuant to
64 applicable laws relating to the investment of other district funds.

65 8. A district may repeal by resolution any sales and use tax
66 imposed pursuant to this section before the expiration date of such
67 sales and use tax unless the repeal of such sales and use tax will impair
68 the district's ability to repay any liabilities the district has incurred,
69 moneys the district has borrowed or obligation the district has issued
70 to finance any improvements or services rendered for the district.

71 9. The maximum rate of the sales and use tax that may be
72 imposed under this section shall be one percent.

73 10. A district levying a real property tax pursuant to this section may
74 repeal or amend such real property tax or lower the tax rate of such tax if such

75 repeal, amendment or lower rate will not impair the district's ability to repay any
76 liabilities which it has incurred, money which it has borrowed or obligations that
77 it has issued to finance any improvements or services rendered within the
78 district.

79 [3.] 11. An election conducted under this section may be conducted in
80 accordance with the provisions of chapter 115 or by mail-in ballot.

67.1461. 1. Each district shall have all the powers, except to the extent
2 any such power has been limited by the petition approved by the governing body
3 of the municipality to establish the district, necessary to carry out and effectuate
4 the purposes and provisions of sections 67.1401 to 67.1571 including, but not
5 limited to, the following:

6 (1) To adopt, amend, and repeal bylaws, not inconsistent with sections
7 67.1401 to 67.1571, necessary or convenient to carry out the provisions of sections
8 67.1401 to 67.1571;

9 (2) To sue and be sued;

10 (3) To make and enter into contracts and other instruments, with public
11 and private entities, necessary or convenient to exercise its powers and carry out
12 its duties pursuant to sections 67.1401 to 67.1571;

13 (4) To accept grants, guarantees and donations of property, labor, services,
14 or other things of value from any public or private source;

15 (5) To employ or contract for such managerial, engineering, legal,
16 technical, clerical, accounting, or other assistance as it deems advisable;

17 (6) To acquire by purchase, lease, gift, grant, bequest, devise, or
18 otherwise, any real property within its boundaries, personal property, or any
19 interest in such property;

20 (7) To sell, lease, exchange, transfer, assign, mortgage, pledge,
21 hypothecate, or otherwise encumber or dispose of any real or personal property
22 or any interest in such property;

23 (8) To levy and collect special assessments and taxes as provided in
24 sections 67.1401 to 67.1571. However, no such assessments or taxes shall be
25 levied on any property exempt from taxation pursuant to subdivision (5) of section
26 137.100. Those exempt pursuant to subdivision (5) of section 137.100 may
27 voluntarily participate in the provisions of sections 67.1401 to 67.1571;

28 (9) If the district is a political subdivision, to levy real property taxes and
29 business license taxes in the county seat of a county of the first classification
30 containing a population of at least two hundred thousand, as provided in sections

31 67.1401 to 67.1571. However, no such assessments or taxes shall be levied on any
32 property exempt from taxation pursuant to subdivisions (2) and (5) of section
33 137.100. Those exempt pursuant to subdivisions (2) and (5) of section 137.100
34 may voluntarily participate in the provisions of sections 67.1401 to 67.1571;

35 (10) If the district is a political subdivision, to levy sales taxes pursuant
36 to sections 67.1401 to 67.1571;

37 (11) To fix, charge, and collect fees, rents, and other charges for use of any
38 of the following:

39 (a) The district's real property, except for public rights-of-way for utilities;

40 (b) The district's personal property, except in a city not within a county;

41 or

42 (c) Any of the district's interests in such real or personal property, except
43 for public rights-of-way for utilities;

44 (12) To borrow money from any public or private source and issue
45 obligations and provide security for the repayment of the same as provided in
46 sections 67.1401 to 67.1571;

47 (13) To loan money as provided in sections 67.1401 to 67.1571;

48 (14) To make expenditures, create reserve funds, and use its revenues as
49 necessary to carry out its powers or duties and the provisions and purposes of
50 sections 67.1401 to 67.1571;

51 (15) To enter into one or more agreements with the municipality for the
52 purpose of abating any public nuisance within the boundaries of the district
53 including, but not limited to, the stabilization, repair or maintenance or
54 demolition and removal of buildings or structures, provided that the municipality
55 has declared the existence of a public nuisance;

56 (16) Within its boundaries, to provide assistance to or to construct,
57 reconstruct, install, repair, maintain, and equip any of the following public
58 improvements:

59 (a) Pedestrian or shopping malls and plazas;

60 (b) Parks, lawns, trees, and any other landscape;

61 (c) Convention centers, arenas, aquariums, aviaries, and meeting
62 facilities;

63 (d) Sidewalks, streets, alleys, bridges, ramps, tunnels, overpasses and
64 underpasses, traffic signs and signals, utilities, drainage, water, storm and sewer
65 systems, and other site improvements;

66 (e) Parking lots, garages, or other facilities;

- 67 (f) Lakes, dams, and waterways;
- 68 (g) Streetscape, lighting, benches or other seating furniture, trash
69 receptacles, marquees, awnings, canopies, walls, and barriers;
- 70 (h) Telephone and information booths, bus stop and other shelters, rest
71 rooms, and kiosks;
- 72 (i) Paintings, murals, display cases, sculptures, and fountains;
- 73 (j) Music, news, and child-care facilities; and
- 74 (k) Any other useful, necessary, or desired improvement;
- 75 (17) To dedicate to the municipality, with the municipality's consent,
76 streets, sidewalks, parks, and other real property and improvements located
77 within its boundaries for public use;
- 78 (18) Within its boundaries and with the municipality's consent, to prohibit
79 or restrict vehicular and pedestrian traffic and vendors on streets, alleys, malls,
80 bridges, ramps, sidewalks, and tunnels and to provide the means for access by
81 emergency vehicles to or in such areas;
- 82 (19) Within its boundaries, to operate or to contract for the provision of
83 music, news, child-care, or parking facilities, and buses, minibuses, or other
84 modes of transportation;
- 85 (20) Within its boundaries, to lease space for sidewalk café tables and
86 chairs;
- 87 (21) Within its boundaries, to provide or contract for the provision of
88 security personnel, equipment, or facilities for the protection of property and
89 persons;
- 90 (22) Within its boundaries, to provide or contract for cleaning,
91 maintenance, and other services to public and private property;
- 92 (23) To produce and promote any tourism, recreational or cultural activity
93 or special event in the district by, but not limited to, advertising, decoration of
94 any public place in the district, promotion of such activity and special events, and
95 furnishing music in any public place;
- 96 (24) To support business activity and economic development in the district
97 including, but not limited to, the promotion of business activity, development and
98 retention, and the recruitment of developers and businesses;
- 99 (25) To provide or support training programs for employees of businesses
100 within the district;
- 101 (26) To provide refuse collection and disposal services within the district;
- 102 (27) To contract for or conduct economic, planning, marketing or other

103 studies;

104 (28) To repair, restore, or maintain any abandoned cemetery on public or
105 private land within the district; and

106 (29) To carry out any other powers set forth in sections 67.1401 to
107 67.1571.

108 2. Each district which is located in a blighted area or which includes a
109 blighted area shall have the following additional powers:

110 (1) Within its blighted area, to contract with any private property owner
111 to demolish and remove, renovate, reconstruct, **construct**, or rehabilitate any
112 building [or], structure, **or improvement** owned by such private property owner;
113 and

114 (2) To expend its revenues or loan its revenues pursuant to a contract
115 entered into pursuant to this subsection, provided that the governing body of the
116 municipality has determined that the action to be taken pursuant to such
117 contract is reasonably anticipated to remediate the blighting conditions and will
118 serve a public purpose.

119 3. Each district shall annually reimburse the municipality for the
120 reasonable and actual expenses incurred by the municipality to establish such
121 district and review annual budgets and reports of such district required to be
122 submitted to the municipality; provided that, such annual reimbursement shall
123 not exceed one and one-half percent of the revenues collected by the district in
124 such year.

125 4. Nothing in sections 67.1401 to 67.1571 shall be construed to delegate
126 to any district any sovereign right of municipalities to promote order, safety,
127 health, morals, and general welfare of the public, except those such police powers,
128 if any, expressly delegated pursuant to sections 67.1401 to 67.1571.

129 5. The governing body of the municipality establishing the district shall
130 not decrease the level of publicly funded services in the district existing prior to
131 the creation of the district or transfer the financial burden of providing the
132 services to the district unless the services at the same time are decreased
133 throughout the municipality, nor shall the governing body discriminate in the
134 provision of the publicly funded services between areas included in such district
135 and areas not so included.

✓