

HB 576 -- Special Taxing Districts

Sponsor: Diehl

This bill changes the laws regarding neighborhood improvement, community improvement, and transportation development districts.

NEIGHBORHOOD IMPROVEMENT DISTRICTS

Currently, assessed costs on property divided into parcels within a neighborhood improvement district are recalculated and reassessed proportionally to each of the divided parcels. The bill allows the city or county that formed the district 60 days after the recordation of proof of parcel division to reallocate the costs according to the method of assessment established in the ballot question or petition forming the district, otherwise the proportional assessment method must be utilized.

COMMUNITY IMPROVEMENT DISTRICTS

The bill:

(1) Changes the basis of the determination of ownership of property within the community improvement district to the real estate records of the recorder of deeds where the district is located. Currently, for various purposes under the community improvement district law, the determination is made from the tax records maintained by the county clerk;

(2) Allows a district board to include up to five legally authorized representatives of any business operating within the district if there are fewer than five real property owners within a district. Currently, every district is governed by a board with five to 30 directors, who are either owners of real property or of a business operating within the district;

(3) Specifies the manner in which a director's term will be determined when all directors receive the same number of votes regarding their term limits;

(4) Expands the powers that the district can exercise outside the district's boundaries to include acquiring real and personal property; abating public nuisances; constructing, maintaining, or operating a variety of public improvements, including transportation; and permissively regulating municipal traffic;

(5) Authorizes districts located in a blighted area to contract with any private property owner to acquire property owned or to be owned by a private property owner;

(6) Allows approval of a district sales tax to be obtained by an election within the district or, if no registered voters live within the district, by a unanimous petition of 100% of the district's property owners verified by the board of directors; and

(7) Allows a district to conduct an election pursuant to the Comprehensive Election Act of 1977 under Sections 115.005 - 115.646, RSMo, or with mail-in ballots pursuant to Sections 115.650 - 115.660. Section 115.005 will not apply to these provisions.

TRANSPORTATION DEVELOPMENT DISTRICTS

The bill:

(1) Defines "owner" as used in the transportation development district law;

(2) Authorizes an alternative method by which property may be added to a district by the unanimous petition of the qualified voters within the area to be added, followed by public notice and a public hearing by the district board. If a written objection signed by at least 10% of the qualified voters within the district is filed within seven days after the public hearing, the issue must be submitted to the qualified voters within the proposed limits of the district. Currently, property may be added to a district by the unanimous petition of the owners of the property to be added and the unanimous approval of the property owners within the district;

(3) Specifies the method by which the vote of a non-individual in a director election will be cast if no mechanism for that determination is specified in its organizational or operating documents;

(4) Repeals the requirement that directors be residents of the district;

(5) Changes the effective date of any sales tax authorized in the transportation development district law to the first day of the month designated by the board. Currently, the tax becomes effective on the first day of the month following its adoption;

(6) Allows a decrease in the number of projects a board is authorized to complete upon a majority vote of the board. Currently, if a board wants to decrease the number of projects, it must submit the issue to the voters of the district; and

(7) Authorizes a district to begin district dissolution election

proceedings after it has provided for the completion and funding of its project and has transferred ownership and control of the project to the Highways and Transportation Commission or a local transportation authority. A district is also authorized to begin district dissolution proceedings by petition to a circuit court after it has completed a project or provided for the completion and funding of its project and has transferred ownership and control of the project to the commission or a local transportation authority.