

SECOND REGULAR SESSION

HOUSE BILL NO. 1376

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE RIZZO.

Pre-filed January 3, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

2976L.011

AN ACT

To repeal sections 447.620, 447.622, 447.625, 447.632, 447.636, 447.638, and 447.640, RSMo, and to enact in lieu thereof seven new sections relating to rehabilitation of abandoned property.

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

Section A. Sections 447.620, 447.622, 447.625, 447.632, 447.636, 447.638, and
2 447.640, RSMo, are repealed and seven new sections enacted in lieu thereof, to be known as
3 sections 447.620, 447.622, 447.625, 447.632, 447.636, 447.638, and 447.640, to read as follows:

447.620. As used in sections 447.620 to 447.640, the following terms mean:

2 (1) "Housing code", a local building, fire, health, property maintenance, nuisance, or
3 other ordinance which contains standards regulating the condition or maintenance of residential
4 buildings;

5 (2) "Last known address", the address where the property is located or the address as
6 listed in the property tax records;

7 (3) ["Low- or moderate-income housing", housing for persons and families who lack the
8 amount of income necessary to rent or purchase adequate housing without financial assistance,
9 as defined by such income limits as shall be established by the Missouri housing development
10 commission for the purposes of determining eligibility under any program aimed at providing
11 housing for low- and moderate-income families or persons;

12 (4)] "Municipality", any incorporated city, town, or village;

13 [(5)] (4) "Nuisance", any property which because of its physical condition or use is a
14 public nuisance or any property which constitutes a blight on the surrounding area or any

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

15 property which is in violation of the applicable housing code such that it constitutes a substantial
16 threat to the life, health, or safety of the public. For purposes of sections 447.620 to 447.640,
17 any declaration of a public nuisance by a municipality pursuant to an ordinance adopted pursuant
18 to sections 67.400 to 67.450, RSMo, shall constitute prima facie evidence that the property is a
19 nuisance;

20 [(6)] (5) "Organization", any Missouri not-for-profit organization validly organized
21 pursuant to law and whose purpose includes the provision or enhancement of housing
22 opportunities in its community;

23 [(7)] (6) "Parties in interest", any owner or owners of record, occupant, lessee,
24 mortgagee, trustee, personal representative, agent, or other party having an interest in the
25 property as shown by the land records of the recorder of deeds of the county wherein the property
26 is located, except in any municipality contained wholly or partially within a county [with a
27 population of over six hundred thousand and less than nine hundred thousand] **of the first**
28 **classification with a charter form of government and with more than six hundred thousand**
29 **but less than seven hundred thousand inhabitants**, "parties in interest" shall mean owners,
30 lessees, mortgagees, or lienholders whose interest has been recorded or filed in the public
31 records;

32 [(8)] (7) "Rehabilitation", the process of improving the property, including, but not
33 limited to, bringing the property into compliance with the applicable housing code.

447.622. Any organization may petition to have property declared abandoned pursuant
2 to the provisions of sections 447.620 to 447.640 and for temporary possession of such property,
3 if:

4 (1) The property has been continuously unoccupied by persons legally entitled to
5 possession for at least one month prior to the filing of the petition;

6 (2) The taxes are delinquent on the property;

7 (3) The property is a nuisance; and

8 (4) The organization intends to rehabilitate the property [and use the property as low-
9 or moderate-income housing].

447.625. 1. Any petition filed under the provisions of sections 447.620 to 447.640
2 which pertains to property located within any [municipality contained wholly or partially within
3 a county with a population of over six hundred thousand and less than nine hundred thousand]
4 **home rule city with more than four hundred thousand inhabitants and located in more**
5 **than one county** shall meet the requirements of this section.

6 2. Summons shall be issued and service of process shall be had as in other in rem or
7 quasi in rem civil actions.

8 3. The petition shall contain a prayer for a court order approving the organization's

9 rehabilitation plan and granting temporary possession of the property to the organization. The
10 petition shall also contain a prayer for a sheriff's deed conveying title to the property to the
11 organization [at the expiration of the one-year period following entry of the order granting
12 temporary possession of the property to the organization] **upon the completion of**
13 **rehabilitation** when no owner has regained possession of the property pursuant to section
14 [447.438] **447.638**.

15 4. The court shall stay any ruling on the organization's prayer for a sheriff's deed until
16 [the one-year period has expired] **rehabilitation has been completed**.

17 5. The owner [shall be entitled to regain possession of the property by motion instead
18 of a new petition under section 447.638. The compensation to be paid shall be set] **may file a**
19 **motion for restoration of possession of the property prior to the completion of**
20 **rehabilitation. The court shall determine whether to restore possession to the owner and**
21 **proper compensation to the organization** in the same manner as in section 447.638.

22 6. [The] **Upon completion of rehabilitation the** organization may file a motion for
23 sheriff's deed in place of a petition for judicial deed under section 447.640.

24 7. The provisions of sections 447.620 to 447.640 shall apply except where they are in
25 conflict with this section.

447.632. The court shall grant the organization's petition if the court finds that the
2 conditions alleged by the plaintiff as specified in section 447.622 [exist] **existed at the time the**
3 **verified petition was filed in the circuit court**, that the plan for the rehabilitation of the
4 property submitted to the court by the plaintiff is feasible, and defendant has failed to
5 demonstrate that the plaintiff should not be allowed to rehabilitate the property.

447.636. The organization shall file [an annual] **a quarterly** report of its rehabilitation
2 and use of the property, including a statement of all expenditures made by the organization and
3 all income and receipts from the property for the preceding [years] **quarters**.

447.638. The owner [shall be entitled to regain possession of the property by petitioning]
2 **may petition** the circuit court for restoration of possession **of the property** and, upon due notice
3 to the plaintiff organization, for a hearing on such petition. At the hearing, the court shall
4 determine **whether the owner has the capacity and the resources to complete rehabilitation**
5 **of the property if such work has not been completed by the organization. If the court**
6 **determines that the owner does not have the capacity or the resources to complete**
7 **rehabilitation of the property the court shall not restore possession to the owner. If the**
8 **court determines that the rehabilitation work has been completed by the organization or**
9 **that the owner has the capacity and the resources to complete the rehabilitation, the court**
10 **shall then determine** proper compensation to the organization for its expenditures, including
11 management fees, based on the organization's reports to the court. The court, in determining the

12 proper compensation to the organization, may consider income or receipts received from the
13 property by the organization. After the owner pays the compensation to the organization as
14 determined by the court, the owner shall resume possession of the property, subject to all existing
15 rental agreements, whether written or verbal, entered into by the organization.

447.640. If an owner [takes no action to] **does not** regain possession of the property in
2 the one-year period following entry of an order granting temporary possession of the property
3 to the organization, the organization may file a petition for judicial deed and, upon due notice
4 to the named defendants, an order may be entered granting a quitclaim judicial deed to the
5 organization. A conveyance by judicial deed shall operate to extinguish all existing ownership
6 interests in, liens on, and other interest in the property, except tax liens.