

SECOND REGULAR SESSION

HOUSE BILL NO. 1076

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HUBBARD.

4618L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 67.1421, 67.1461, 67.1531, and 67.1541, RSMo, and to enact in lieu thereof four 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Section A. Sections 67.1421, 67.1461, 67.1531, and 67.1541, RSMo, are repealed and four new sections enacted in lieu thereof, to be known as sections 67.1421, 67.1461, 67.1531, and 67.1541, to read as follows:

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

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

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

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

(3) It contains the following information:

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

(b) The name of the proposed district;

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.

16 (c) A notice that the signatures of the signers may not be withdrawn later than seven days
17 after the petition is filed with the municipal clerk;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

47 Name of owner:

48 Owner's telephone number and mailing address:

49 If signer is different from owner:

50 Name of signer:

51 State basis of legal authority to sign:

52 Signer's telephone number and mailing address:
53 If the owner is an individual, state if owner is single or married:
54 If owner is not an individual, state what type of entity:
55 Map and parcel number and assessed value of each tract of real property within the proposed
56 district owned:
57 By executing this petition, the undersigned represents and warrants that he or she is authorized
58 to execute this petition on behalf of the property owner named immediately above
59 Signature of person signing for owner Date

60 STATE OF MISSOURI)
61) ss.
62 COUNTY OF)

63 Before me personally appeared, to me personally known to be the
64 individual described in and who executed the foregoing instrument.

65 WITNESS my hand and official seal this day of (month),
66 (year).

67
68 Notary Public

69 My Commission Expires:; and

70 (5) Alternatively, the governing body of any home rule city with more than four hundred
71 thousand inhabitants and located in more than one county may file a petition to initiate the
72 process to establish a district in the portion of the city located in any county of the first
73 classification with more than two hundred thousand but fewer than two hundred sixty thousand
74 inhabitants containing the information required in subdivision (3) of this subsection; provided
75 that the only funding methods for the services and improvements will be a real property tax.

76 3. Upon receipt of a petition the municipal clerk shall, within a reasonable time not to
77 exceed ninety days after receipt of the petition, review and determine whether the petition
78 substantially complies with the requirements of subsection 2 of this section. In the event the
79 municipal clerk receives a petition which does not meet the requirements of subsection 2 of this
80 section, the municipal clerk shall, within a reasonable time, return the petition to the submitting
81 party by hand delivery, first class mail, postage prepaid or other efficient means of return and
82 shall specify which requirements have not been met.

83 4. After the close of the public hearing required pursuant to subsection 1 of this section,
84 the governing body of the municipality may adopt an ordinance approving the petition and
85 establishing a district as set forth in the petition and may determine, if requested in the petition,
86 whether the district, or any legally described portion thereof, constitutes a blighted area. If the
87 petition was filed by the governing body of a municipality pursuant to subdivision (5) of

88 subsection 2 of this section, after the close of the public hearing required pursuant to subsection
89 1 of this section, the petition may be approved by the governing body and an election shall be
90 called pursuant to section 67.1422.

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

95 (1) At any time prior to the close of the public hearing required pursuant to subsection
96 1 of this section; provided that, notice of the contents of the amended petition is given at the
97 public hearing;

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

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

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

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

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

7 (2) To sue and be sued;

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

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

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

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

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

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

24 (9) If the district is a political subdivision, to levy real property taxes and business
25 license taxes [in the county seat of a county of the first classification containing a population of
26 at least two hundred thousand], as provided in sections 67.1401 to 67.1571. However, no such
27 assessments or taxes shall be levied on any property exempt from taxation pursuant to
28 subdivisions (2) and (5) of section 137.100. Those exempt pursuant to subdivisions (2) and (5)
29 of section 137.100 may voluntarily participate in the provisions of sections 67.1401 to 67.1571;

30 (10) If the district is a political subdivision, to levy sales taxes pursuant to sections
31 67.1401 to 67.1571;

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

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

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

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

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

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

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

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

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

- 49 (a) Pedestrian or shopping malls and plazas;
- 50 (b) Parks, lawns, trees, and any other landscape;
- 51 (c) Convention centers, arenas, aquariums, aviaries, and meeting facilities;
- 52 (d) Sidewalks, streets, alleys, bridges, ramps, tunnels, overpasses and underpasses, traffic
53 signs and signals, utilities, drainage, water, storm and sewer systems, and other site
54 improvements;
- 55 (e) Parking lots, garages, or other facilities;
- 56 (f) Lakes, dams, and waterways;
- 57 (g) Streetscape, lighting, benches or other seating furniture, trash receptacles, marquees,
58 awnings, canopies, walls, and barriers;
- 59 (h) Telephone and information booths, bus stop and other shelters, rest rooms, and
60 kiosks;
- 61 (i) Paintings, murals, display cases, sculptures, and fountains;
- 62 (j) Music, news, and child-care facilities; and
- 63 (k) Any other useful, necessary, or desired improvement;
- 64 (17) To dedicate to the municipality, with the municipality's consent, streets, sidewalks,
65 parks, and other real property and improvements located within its boundaries for public use;
- 66 (18) Within its boundaries and with the municipality's consent, to prohibit or restrict
67 vehicular and pedestrian traffic and vendors on streets, alleys, malls, bridges, ramps, sidewalks,
68 and tunnels and to provide the means for access by emergency vehicles to or in such areas;
- 69 (19) Within its boundaries, to operate or to contract for the provision of music, news,
70 child-care, or parking facilities, and buses, minibuses, or other modes of transportation;
- 71 (20) Within its boundaries, to lease space for sidewalk café tables and chairs;
- 72 (21) Within its boundaries, to provide or contract for the provision of security personnel,
73 equipment, or facilities for the protection of property and persons;
- 74 (22) Within its boundaries, to provide or contract for cleaning, maintenance, and other
75 services to public and private property;
- 76 (23) To produce and promote any tourism, recreational or cultural activity or special
77 event in the district by, but not limited to, advertising, decoration of any public place in the
78 district, promotion of such activity and special events, and furnishing music in any public place;
- 79 (24) To support business activity and economic development in the district including,
80 but not limited to, the promotion of business activity, development and retention, and the
81 recruitment of developers and businesses;
- 82 (25) To provide or support training programs for employees of businesses within the
83 district;
- 84 (26) To provide refuse collection and disposal services within the district;

85 (27) To contract for or conduct economic, planning, marketing or other studies;

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

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

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

91 (1) Within its blighted area, to contract with any private property owner to demolish and
92 remove, renovate, reconstruct, or rehabilitate any building or structure owned by such private
93 property owner; and

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

98 3. Each district shall annually reimburse the municipality for the reasonable and actual
99 expenses incurred by the municipality to establish such district and review annual budgets and
100 reports of such district required to be submitted to the municipality; provided that, such annual
101 reimbursement shall not exceed one and one-half percent of the revenues collected by the district
102 in such year.

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

107 5. The governing body of the municipality establishing the district shall not decrease the
108 level of publicly funded services in the district existing prior to the creation of the district or
109 transfer the financial burden of providing the services to the district unless the services at the
110 same time are decreased throughout the municipality, nor shall the governing body discriminate
111 in the provision of the publicly funded services between areas included in such district and areas
112 not so included.

67.1531. 1. The district may levy by resolution a tax upon real property or on any
2 business located within the boundaries of the district; provided however, no such resolution shall
3 be final nor shall it take effect until the qualified voters approve, by mail-in ballot, the tax which
4 the resolution seeks to impose. If a majority of the votes cast by the qualified voters voting on
5 the proposed tax are in favor of the tax, then the resolution and any amendments thereto shall be
6 in effect. If a majority of the votes cast by the qualified voters voting are opposed to the tax, then
7 the resolution seeking to levy the tax shall be deemed to be null and void.

8 2. The district may levy a real property tax rate lower than the tax rate ceiling approved
9 by the qualified voters pursuant to subsection 1 of this section and may increase that lowered tax
10 rate to a level not exceeding the tax rate ceiling without approval of the qualified voters.

11 3. The ballot shall be substantially in the following form: (1) Shall the
12 (insert name of district) Community Improvement District ("District") impose a real property tax
13 upon (all real property) within the district at a rate of not more than (insert
14 amount) dollars per hundred dollars assessed valuation for a period of (insert number)
15 years from the date on which such tax is first imposed for the purpose of providing revenue for
16 (insert general description of purpose) in the district?

17 YES NO; [and] or

18 (2) [In the county seat of a county of the first classification without a charter form of
19 government containing a population of at least two hundred thousand:]

20 Shall the (insert name of district) Community Improvement District
21 ("District") impose a real property tax within the district at a rate of not more than
22 (insert amount) dollars per hundred dollars of assessed valuation and/or a business license tax
23 in an amount not to exceed upon all persons who are engaged in the business of
24 for a period of (insert number) years from the date on which such tax
25 is first imposed for the purpose of providing revenue for (insert general description
26 of purpose) in the district?

27 YES NO

28

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

31 4. No district levying a real property tax or a business license tax pursuant to this section
32 may repeal or amend such real property tax or business license tax or lower the tax rate of such
33 tax if such repeal, amendment or lower rate will impair the district's ability to repay any liabilities
34 which it has incurred, money which it has borrowed or obligations that it has issued to finance
35 any improvements or services rendered within the district.

67.1541. 1. The county collector of each county in which the district is located, or the
2 collector for the city in which the district is located if the district is located in a city not within
3 a county, shall collect the real property taxes and special assessments made upon all real property
4 within that county and district, in the same manner as other real property taxes are collected. If
5 the special assessment is based on something other than the assessed value of real property, the
6 district shall provide the information on which such special assessment is based for all applicable
7 real property. **The city or county official generally responsible for collecting business license
8 taxes in the city or county in which the district is located, or such other official or entity as**

9 **may be identified in the petition approved by the governing body of the municipality, shall**
10 **collect any business license tax levied under sections 67.1401 to 67.1571 and the district**
11 **shall provide the information on which such business tax is based.**

12 2. Every county or municipal collector and treasurer having collected or received district
13 assessments or taxes shall, on or before the fifteenth day of each month and after deducting the
14 reasonable and actual cost of such collection but not to exceed one percent of the total amount
15 collected, remit to the treasurer of such district the amount collected or received by him or her
16 prior to the first day of such month. Upon receipt of such money, the district treasurer shall
17 execute a receipt therefor, which he or she shall forward or deliver to the county collector or city
18 treasurer who collected such money. The district treasurer shall deposit such sums into the
19 district treasury, credited to the appropriate fund or account. The county or municipal collector
20 or treasurer, and district treasurer shall make final settlement of the district account and costs
21 owing, not less than once each year, if necessary.

22 3. **In addition to any other penalties and forfeitures provided by law, no business**
23 **license shall be issued to any business within the district until any business license tax**
24 **levied under sections 67.1401 to 67.1571 and any penalties for delinquent payment or filing**
25 **of any required statements, applications, or returns is paid in full. Any business license**
26 **issued shall, after ten days' notice, be revoked if the license is in default for a period of sixty**
27 **days in the payment of any business license tax levied under sections 67.1401 to 67.1571.**
28 **If the official or entity collecting business license taxes under this section does not issue**
29 **business licenses, such official or entity collecting business license taxes shall provide to the**
30 **issuer of business licenses information as to the due payment of all business license taxes**
31 **levied under sections 67.1401 to 67.1571, penalties, and forfeitures for all businesses within**
32 **the district.**

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