

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend SS/Senate Bill No. 704, Page 1, Section A, Line 7,

2 by inserting after all of said line the following:

3 "99.805. As used in sections 99.800 to 99.865, unless the
4 context clearly requires otherwise, the following terms shall
5 mean:

6 (1) "Blighted area", an area which, by reason of the
7 predominance of [defective or inadequate street layout,]
8 insanitary or unsafe conditions, [deterioration of site
9 improvements, improper subdivision or obsolete platting,] or the
10 existence of conditions which endanger life or property by fire
11 and other causes, or any combination of such factors, retards the
12 provision of housing accommodations or constitutes an economic or
13 social liability or a menace to the public health, safety,
14 [morals,] or welfare in its present condition and use, and, for
15 redevelopment areas located in a city not within a county, which
16 has a median household income less than or equal to two hundred
17 percent of the federal poverty level, as determined by the most
18 current five-year figures published by the American Community
19 Survey conducted by the United States Census Bureau;

20 (2) "Collecting officer", the officer of the municipality
21 responsible for receiving and processing payments in lieu of

1 taxes or economic activity taxes from taxpayers or the department
2 of revenue;

3 (3) ["Conservation area", any improved area within the
4 boundaries of a redevelopment area located within the territorial
5 limits of a municipality in which fifty percent or more of the
6 structures in the area have an age of thirty-five years or more.
7 Such an area is not yet a blighted area but is detrimental to the
8 public health, safety, morals, or welfare and may become a
9 blighted area because of any one or more of the following
10 factors: dilapidation; obsolescence; deterioration; illegal use
11 of individual structures; presence of structures below minimum
12 code standards; abandonment; excessive vacancies; overcrowding of
13 structures and community facilities; lack of ventilation, light
14 or sanitary facilities; inadequate utilities; excessive land
15 coverage; deleterious land use or layout; depreciation of
16 physical maintenance; and lack of community planning. A
17 conservation area shall meet at least three of the factors
18 provided in this subdivision for projects approved on or after
19 December 23, 1997;

20 (4)] "Economic activity taxes", the total additional
21 revenue from taxes which are imposed by a municipality and other
22 taxing districts, and which are generated by economic activities
23 within a redevelopment area over the amount of such taxes
24 generated by economic activities within such redevelopment area
25 in the calendar year prior to the adoption of the ordinance
26 designating such a redevelopment area, while tax increment
27 financing remains in effect, but excluding personal property
28 taxes, taxes imposed on sales or charges for sleeping rooms paid
29 by transient guests of hotels and motels, licenses, fees or

1 special assessments. For redevelopment projects or redevelopment
2 plans approved after December 23, 1997, if a retail establishment
3 relocates within one year from one facility to another facility
4 within the same county and the governing body of the municipality
5 finds that the relocation is a direct beneficiary of tax
6 increment financing, then for purposes of this definition, the
7 economic activity taxes generated by the retail establishment
8 shall equal the total additional revenues from economic activity
9 taxes which are imposed by a municipality or other taxing
10 district over the amount of economic activity taxes generated by
11 the retail establishment in the calendar year prior to its
12 relocation to the redevelopment area;

13 [(5) "Economic development area", any area or portion of an
14 area located within the territorial limits of a municipality,
15 which does not meet the requirements of subdivisions (1) and (3)
16 of this section, and in which the governing body of the
17 municipality finds that redevelopment will not be solely used for
18 development of commercial businesses which unfairly compete in
19 the local economy and is in the public interest because it will:

20 (a) Discourage commerce, industry or manufacturing from
21 moving their operations to another state; or

22 (b) Result in increased employment in the municipality; or

23 (c) Result in preservation or enhancement of the tax base
24 of the municipality;

25 (6)] (4) "Gambling establishment", an excursion gambling
26 boat as defined in section 313.800 and any related business
27 facility including any real property improvements which are
28 directly and solely related to such business facility, whose sole
29 purpose is to provide goods or services to an excursion gambling

1 boat and whose majority ownership interest is held by a person
2 licensed to conduct gambling games on an excursion gambling boat
3 or licensed to operate an excursion gambling boat as provided in
4 sections 313.800 to 313.850. This subdivision shall be
5 applicable only to a redevelopment area designated by ordinance
6 adopted after December 23, 1997;

7 [(7)] (5) "Greenfield area", any vacant, unimproved, or
8 agricultural property that is located wholly outside the
9 incorporated limits of a city, town, or village, or that is
10 substantially surrounded by contiguous properties with
11 agricultural zoning classifications or uses unless said property
12 was annexed into the incorporated limits of a city, town, or
13 village ten years prior to the adoption of the ordinance
14 approving the redevelopment plan for such greenfield area;

15 [(8)] (6) "Municipality", a city, village, or incorporated
16 town or any county of this state. For redevelopment areas or
17 projects approved on or after December 23, 1997, municipality
18 applies only to cities, villages, incorporated towns or counties
19 established for at least one year prior to such date;

20 [(9)] (7) "Obligations", bonds, loans, debentures, notes,
21 special certificates, or other evidences of indebtedness issued
22 by a municipality to carry out a redevelopment project or to
23 refund outstanding obligations;

24 [(10)] (8) "Ordinance", an ordinance enacted by the
25 governing body of a city, town, or village or a county or an
26 order of the governing body of a county whose governing body is
27 not authorized to enact ordinances;

28 [(11)] (9) "Payment in lieu of taxes", those estimated
29 revenues from real property in the area selected for a

1 redevelopment project, which revenues according to the
2 redevelopment project or plan are to be used for a private use,
3 which taxing districts would have received had a municipality not
4 adopted tax increment allocation financing, and which would
5 result from levies made after the time of the adoption of tax
6 increment allocation financing during the time the current
7 equalized value of real property in the area selected for the
8 redevelopment project exceeds the total initial equalized value
9 of real property in such area until the designation is terminated
10 pursuant to subsection 2 of section 99.850;

11 [(12)] (10) "Redevelopment area", an area designated by a
12 municipality, in respect to which the municipality has made a
13 finding that there exist conditions which cause the area to be
14 classified as a blighted area, [a conservation area, an economic
15 development area, an enterprise zone pursuant to sections 135.200
16 to 135.256, or a combination thereof,] which area includes only
17 those parcels of real property directly and substantially
18 benefitted by the proposed redevelopment project;

19 [(13)] (11) "Redevelopment plan", the comprehensive program
20 of a municipality for redevelopment intended by the payment of
21 redevelopment costs to reduce or eliminate those conditions, the
22 existence of which qualified the redevelopment area as a blighted
23 area, [conservation area, economic development area, or
24 combination thereof,] and to thereby enhance the tax bases of the
25 taxing districts which extend into the redevelopment area. Each
26 redevelopment plan shall conform to the requirements of section
27 99.810;

28 [(14)] (12) "Redevelopment project", any development
29 project within a redevelopment area in furtherance of the

1 objectives of the redevelopment plan; any such redevelopment
2 project shall include a legal description of the area selected
3 for the redevelopment project;

4 [(15)] (13) "Redevelopment project costs" include the sum
5 total of all reasonable or necessary costs incurred or estimated
6 to be incurred, and any such costs incidental to a redevelopment
7 plan or redevelopment project, as applicable. Such costs
8 include, but are not limited to, the following:

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

10 (b) Professional service costs, including, but not limited
11 to, architectural, engineering, legal, marketing, financial,
12 planning or special services. Except the reasonable costs
13 incurred by the commission established in section 99.820 for the
14 administration of sections 99.800 to 99.865, such costs shall be
15 allowed only as an initial expense which, to be recoverable,
16 shall be included in the costs of a redevelopment plan or
17 project;

18 (c) Property assembly costs, including, but not limited to:

19 a. Acquisition of land and other property, real or
20 personal, or rights or interests therein;

21 b. Demolition of buildings; and

22 c. The clearing and grading of land;

23 (d) Costs of rehabilitation, reconstruction, or repair or
24 remodeling of existing buildings and fixtures;

25 (e) [Initial costs for an economic development area;

26 (f)] Costs of construction of public works or improvements;

27 [(g)] (f) Financing costs, including, but not limited to,
28 all necessary and incidental expenses related to the issuance of
29 obligations, and which may include payment of interest on any

1 obligations issued pursuant to sections 99.800 to 99.865 accruing
2 during the estimated period of construction of any redevelopment
3 project for which such obligations are issued and for not more
4 than eighteen months thereafter, and including reasonable
5 reserves related thereto;

6 [(h)] (g) All or a portion of a taxing district's capital
7 costs resulting from the redevelopment project necessarily
8 incurred or to be incurred in furtherance of the objectives of
9 the redevelopment plan and project, to the extent the
10 municipality by written agreement accepts and approves such
11 costs;

12 [(i)] (h) Relocation costs to the extent that a
13 municipality determines that relocation costs shall be paid or
14 are required to be paid by federal or state law;

15 [(j)] (i) Payments in lieu of taxes;

16 [(16)] (14) "Special allocation fund", the fund of a
17 municipality or its commission which contains at least two
18 separate segregated accounts for each redevelopment plan,
19 maintained by the treasurer of the municipality or the treasurer
20 of the commission into which payments in lieu of taxes are
21 deposited in one account, and economic activity taxes and other
22 revenues are deposited in the other account;

23 [(17)] (15) "Taxing districts", any political subdivision
24 of this state having the power to levy taxes;

25 [(18)] (16) "Taxing districts' capital costs", those costs
26 of taxing districts for capital improvements that are found by
27 the municipal governing bodies to be necessary and to directly
28 result from the redevelopment project; and

29 [(19)] (17) "Vacant land", any parcel or combination of

1 parcels of real property not used for industrial, commercial, or
2 residential buildings.

3 99.810. 1. Each redevelopment plan shall set forth in
4 writing a general description of the program to be undertaken to
5 accomplish the objectives and shall include, but need not be
6 limited to, the estimated redevelopment project costs, the
7 anticipated sources of funds to pay the costs, evidence of the
8 commitments to finance the project costs, the anticipated type
9 and term of the sources of funds to pay costs, the anticipated
10 type and terms of the obligations to be issued, the most recent
11 equalized assessed valuation of the property within the
12 redevelopment area which is to be subjected to payments in lieu
13 of taxes and economic activity taxes pursuant to section 99.845,
14 an estimate as to the equalized assessed valuation after
15 redevelopment, and the general land uses to apply in the
16 redevelopment area. No redevelopment plan shall be adopted by a
17 municipality without findings that:

18 (1) The redevelopment area on the whole is a blighted
19 area[, a conservation area, or an economic development area,] and
20 has not been subject to growth and development through investment
21 by private enterprise and would not reasonably be anticipated to
22 be developed without the adoption of tax increment financing.
23 Such a finding shall include, but not be limited to, a study
24 conducted by a third party which includes a detailed description
25 of the factors that qualify the redevelopment area or project
26 pursuant to this subdivision and an affidavit, signed by the
27 developer or developers and submitted with the redevelopment
28 plan, attesting that the provisions of this subdivision have been
29 met;

1 (2) The redevelopment plan conforms to the comprehensive
2 plan for the development of the municipality as a whole;

3 (3) The estimated dates, which shall not be more than
4 twenty-three years from the adoption of the ordinance approving a
5 redevelopment project within a redevelopment area, of completion
6 of any redevelopment project and retirement of obligations
7 incurred to finance redevelopment project costs have been stated,
8 provided that no ordinance approving a redevelopment project
9 shall be adopted later than ten years from the adoption of the
10 ordinance approving the redevelopment plan under which such
11 project is authorized and provided that no property for a
12 redevelopment project shall be acquired by eminent domain later
13 than five years from the adoption of the ordinance approving such
14 redevelopment project;

15 (4) A plan has been developed for relocation assistance for
16 businesses and residences;

17 (5) A cost-benefit analysis showing the economic impact of
18 the plan on each taxing district which is at least partially
19 within the boundaries of the redevelopment area. The analysis
20 shall show the impact on the economy if the project is not built,
21 and is built pursuant to the redevelopment plan under
22 consideration. The cost-benefit analysis shall include a fiscal
23 impact study on every affected political subdivision, and
24 sufficient information from the developer for the commission
25 established in section 99.820 to evaluate whether the project as
26 proposed is financially feasible;

27 (6) A finding that the plan does not include the initial
28 development or redevelopment of any gambling establishment,
29 provided however, that this subdivision shall be applicable only

1 to a redevelopment plan adopted for a redevelopment area
2 designated by ordinance after December 23, 1997.

3 2. By the last day of February each year, each commission
4 shall report to the director of economic development the name,
5 address, phone number and primary line of business of any
6 business which relocates to the district. The director of the
7 department of economic development shall compile and report the
8 same to the governor, the speaker of the house and the president
9 pro tempore of the senate on the last day of April each year.

10 99.825. 1. Prior to the adoption of an ordinance proposing
11 the designation of a redevelopment area, or approving a
12 redevelopment plan or redevelopment project, the commission shall
13 fix a time and place for a public hearing as required in
14 subsection 4 of section 99.820 and notify each taxing district
15 located wholly or partially within the boundaries of the proposed
16 redevelopment area, plan or project. At the public hearing any
17 interested person or affected taxing district may file with the
18 commission written objections to, or comments on, and may be
19 heard orally in respect to, any issues embodied in the notice.
20 The commission shall hear and consider all protests, objections,
21 comments and other evidence presented at the hearing. The
22 hearing may be continued to another date without further notice
23 other than a motion to be entered upon the minutes fixing the
24 time and place of the subsequent hearing; provided, if the
25 commission is created under subsection 3 of section 99.820, the
26 hearing shall not be continued for more than thirty days beyond
27 the date on which it is originally opened unless such longer
28 period is requested by the chief elected official of the
29 municipality creating the commission and approved by a majority

1 of the commission. Prior to the conclusion of the hearing,
2 changes may be made in the redevelopment plan, redevelopment
3 project, or redevelopment area, provided that each affected
4 taxing district is given written notice of such changes at least
5 seven days prior to the conclusion of the hearing. After the
6 public hearing but prior to the adoption of an ordinance
7 approving a redevelopment plan or redevelopment project, or
8 designating a redevelopment area, changes may be made to the
9 redevelopment plan, redevelopment projects or redevelopment areas
10 without a further hearing, if such changes do not enlarge the
11 exterior boundaries of the redevelopment area or areas, and do
12 not substantially affect the general land uses established in the
13 redevelopment plan or substantially change the nature of the
14 redevelopment projects, provided that notice of such changes
15 shall be given by mail to each affected taxing district and by
16 publication in a newspaper of general circulation in the area of
17 the proposed redevelopment not less than ten days prior to the
18 adoption of the changes by ordinance. After the adoption of an
19 ordinance approving a redevelopment plan or redevelopment
20 project, or designating a redevelopment area, no ordinance shall
21 be adopted altering the exterior boundaries, affecting the
22 general land uses established pursuant to the redevelopment plan
23 or changing the nature of the redevelopment project without
24 complying with the procedures provided in this section pertaining
25 to the initial approval of a redevelopment plan or redevelopment
26 project and designation of a redevelopment area. Hearings with
27 regard to a redevelopment project, redevelopment area, or
28 redevelopment plan may be held simultaneously.

29 2. If, after concluding the hearing required under this

1 section, the commission makes a recommendation under section
2 99.820 in opposition to a proposed redevelopment plan,
3 redevelopment project, or designation of a redevelopment area, or
4 any amendments thereto, a municipality desiring to approve such
5 project, plan, designation, or amendments shall do so only upon a
6 two-thirds majority vote of the governing body of such
7 municipality. For plans, projects, designations, or amendments
8 approved by a municipality over the recommendation in opposition
9 by the commission formed under subsection 3 of section 99.820,
10 the economic activity taxes and payments in lieu of taxes
11 generated by such plan, project, designation, or amendment shall
12 be restricted to paying only those redevelopment project costs
13 contained in subparagraphs b. and c. of paragraph (c) of
14 subdivision (15) of section 99.805 per redevelopment project.

15 [3. Tax incremental financing projects within an economic
16 development area shall apply to and fund only the following
17 infrastructure projects: highways, roads, streets, bridges,
18 sewers, traffic control systems and devices, water distribution
19 and supply systems, curbing, sidewalks and any other similar
20 public improvements, but in no case shall it include buildings.]

21 99.843. Notwithstanding the provisions of sections 99.800
22 to 99.865 to the contrary, no new tax increment financing project
23 shall be authorized in any greenfield area, as such term is
24 defined in section 99.805[, that is located within a city not
25 within a county or any county subject to the authority of the
26 East-West Gateway Council of Governments. Municipalities not
27 subject to the authority of the East-West Gateway Council of
28 Governments may authorize tax increment finance projects in
29 greenfield areas]."; and

1 Further amend the title and enacting clause accordingly.