

COMMUNITY REDEVELOPMENT*

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***Cross reference(s)**--Department of planning and community development, § 2-366 et seq.; planning commission, § 2-531 et seq.; community development housing rehabilitation examining and appeals board, § 2-801 et seq.; public improvements and special assessments, § 2-1151 et seq.; buildings and building regulations, ch. 7; housing standards, § 7-316 et seq.; subdivisions, ch. 26.

State law reference(s)--Powers of home rule charter cities, Mo. Const. art. VI, § 19(a).

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ARTICLE I. IN GENERAL

Secs. 11-1--11-25. Reserved.

ARTICLE II. URBAN REDEVELOPMENT*

DIVISION 1. GENERALLY

Sec. 11-26. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

- (1) *Area* means that portion of the city which the city council has found or shall find to be blighted, so that the clearance, replanning, rehabilitation or reconstruction thereof is necessary to effectuate the purposes of this article. Any such area may include buildings or improvements, not in themselves blighted, and any real property, whether improved or unimproved, the inclusion of which is deemed necessary for the effective clearance, replanning, reconstruction or rehabilitation of the area of which such buildings, improvements or real property form a part.
- (2) *Blighted area* means those portions of the city which the council shall determine that, by reason of age, obsolescence, inadequate or outmoded design or physical deterioration, have become economic and social liabilities and that the conditions in such localities are conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes.
- (3) *Business* means any nonresidential entity having lawful occupancy of a premises.
- (4) *Commission* means the planning commission.
- (5) *Corporation* means an urban redevelopment corporation organized

under and pursuant to the provisions of the Urban Redevelopment Corporations Law and includes any life insurance company organized under the laws of or admitted to do business in the state, which shall undertake a redevelopment project under the provisions of this article.

- (6) *Development cost* means the amount determined by the planning commission to be the actual cost of redevelopment or of that part thereof for which such determination is made. The terms shall include, among other costs, the reasonable expense of planning the redevelopment, including preliminary studies and surveys, neighborhood planning, and architectural and engineering services, the reasonable value of the services performed in connection with the development plan, interest during construction, the actual cost of the real property or any part thereof where acquired partly or wholly in exchange for securities, the actual cost of demolition of existing structures, the actual cost of utilities, landscaping and roadways, the actual cost of construction, equipment and furnishing of building and improvements, including architectural, engineering and builder's fees, the actual cost of reconstruction, rehabilitation, redevelopment, remodeling or initial repair of existing buildings and improvements, reasonable management and operations costs until the redevelopment is ready for use, and the actual cost of improving those portions of the area which are to remain open spaces, together with such additions to development costs as shall equal the actual cost of additions to or changes in the redevelopment in accordance with the original development plan or after approved changes therein or amendments thereto.
- (7) *Development plan* means a plan, together with any amendments thereto, for the redevelopment of all or any part of a blighted area.
- (8) *Displaced business* means any business that moves from real property within the development areas as a result of the

*State law reference(s)--Urban redevelopment, RSMo ch. 353.

- acquisition of such property by a corporation, its assignees or transferees; as a result of written notice of such entities to vacate such property; or in connection with the demolition, alteration or repair of the property occurring after filing of the development plan by any person who subsequently transfers the property to the corporation for tax abatement purposes.
- (9) *Displaced occupant* means any occupant who moves from real property within the development area as a result of the acquisition of such property by a corporation, its assignees or transferees; as a result of written notice of such entities to vacate such property; or in connection with the demolition, alteration or repair of the property occurring after filing of the development plan by any person who subsequently transfers the property to the corporation for tax abatement purposes.
- (10) *Eminent domain* means the right of an urban redevelopment corporation to take private property to accomplish the purposes enumerated in RSMo ch. 353, as amended, subject to the duty to pay the owner the fair market value for that which is taken.
- (11) *Escrow agent* means placed in the care of a third party until agreed conditions are fulfilled, as a bond or deed.
- (12) *Fair market value* means the most probable price in cash, terms equivalent to cash or in other precisely revealed terms, for which the appraised property will sell in a competitive market under all conditions requisite to fair sale, with the buyer and seller each acting prudently, knowledgeably and for self-interest and assuming that neither is under undue duress.
- (13) *Handicapped occupant* means any occupant who is deaf, legally blind or orthopedically disabled to the extent that acquisition of other residence presents a greater burden than other occupants would encounter or that modification to the residence would be necessary.
- (14) *Historic preservation* means any existing historic landmark or historic district so designated in accordance with federal and state law and ordinance which shall be preserved and modified only in compliance with applicable provisions of city ordinance, state and federal law and regulations.
- (15) *Historic property* means a building, group of buildings, structure, group of structures, site or district containing features of significant character interest or value, as part of the city's past, which has been designated for preservation in the manner provided by law.
- (16) *Just compensation* means payment of an amount no less than the approved appraisal of the fair market value of the property.
- (17) *Mortgage* means a mortgage, trust indenture, deed of trust, building and loan contract or other instrument creating a lien on real property, to secure the payment of an indebtedness, and the indebtedness secured by any of them.
- (18) *Occupant* means a residential occupant of a building having lawful possession thereof and includes any person in lawful possession, whether related by blood or marriage to any other occupant.
- (19) *Person* means any individual, firm, partnership, joint venture, association, corporation (except an urban redevelopment corporation organized pursuant to the provisions of the Urban Redevelopment Corporations Law and any life insurance company, organized under the laws of or admitted to do business in the state undertaking a redevelopment project under this article), whether organized for profit or not, estate, trust, business trust, receiver or trustee appointed by any state or federal court, syndicate or any other group or combination acting as a unit.
- (20) *Real property* includes lands, buildings, improvements, land under water, waterfront property and any and all easements, franchises and hereditaments, corporeal or incorporeal, and every

estate, interest, privilege, easement, franchise and right therein or appurtenant thereto, legal or equitable, including restrictions of record, created by plat covenants, or otherwise, rights-of-way, and terms for years.

(21) *Redevelopment* means the clearance, replanning, reconstruction or rehabilitation of any blighted area and the provision for such industrial, commercial, residential or public structures and spaces as may be appropriate, including recreational and other facilities incident or appurtenant thereto.

(22) *Redevelopment project* means a specific work or improvement to effectuate all or any part of a development plan.

(23) *Urban Redevelopment Corporations Law* means RSMo ch. 353, and any amendments thereto.

(Code 1969, § 21 1/2-4(a))

Cross reference(s)--Definitions and rules of construction generally, § 1-2.

Sec. 11-27. Determination of necessity.

It is determined and declared by the council that:

(1) In certain portions of the city obsolete, decadent, substandard, insanitary or blighted areas exist occasioned by inadequate planning, excessive land coverage, lack of proper light, air or open space, defective design or arrangement of buildings, lack of proper sanitary facilities or the existence of buildings which, by reason of age, obsolescence, inadequate or outmoded design or physical deterioration, have impaired the economic value of certain areas, infecting them with blight, and that such areas are characterized by depreciated values, impaired investments, reduced or negligible income and consequent tax delinquencies;

(2) Such conditions exist in areas where obsolete, decadent, substandard, insanitary, outworn or outmoded industrial, commercial or residential buildings prevail, and such are conducive to ill health, transmission of disease,

infant mortality, juvenile delinquency and crime;

(3) Such conditions occur chiefly in areas which are subdivided into small parcels with multiple ownership and frequently with confusion as to title;

(4) Their assembly for purposes of clearance, replanning, rehabilitation, reconstruction and redevelopment is difficult and costly;

(5) The existence of such condition and the failure to clear, replan, rehabilitate, reconstruct or redevelop these areas results in progressive deterioration, in a loss of population by the areas, causes a wasteful expenditure of public funds for policing and occasions large outlays for the creation of public facilities and services elsewhere;

(6) It is impossible and uneconomic for individual owners to independently undertake to remedy such conditions;

(7) Such conditions require the employment of capital on an investment basis, allowing, however, the widest latitude in the amortization of any indebtedness created thereby;

(8) Such conditions further require the acquisition of adequate areas, at fair prices, the clearance of such areas through demolition of existing obsolete, decadent, inadequate, unsafe or insanitary buildings and the redevelopment of such areas under proper supervision with appropriate planning as to land use and construction policies;

(9) The clearance, replanning, rehabilitation, reconstruction and redevelopment of such areas on a large scale basis are necessary for the public welfare and are public uses and purposes for which private property may be acquired by purchase or eminent domain; and

(10) Such obsolete, decadent, substandard, insanitary and blighted areas constitute a menace to the health, safety, morals and welfare of the citizens of the city.

Therefore, the necessity for the provisions enacted in this article is declared as a matter of legislative determination to be in the public interest. (Code 1969, § 21 1/2-2)

Sec. 11-28. Acceptance of application of state law.

The provisions of the Urban Redevelopment Corporations Law are hereby accepted and shall apply to all persons operating under this article insofar as such may be applicable thereto. (Code 1969, § 21 1/2-3)

Sec. 11-29. Preservation of existing historic landmarks and historic districts.

(a) All historic landmarks and historic districts established pursuant to ordinance and this article shall be preserved, any provision in this article to the contrary notwithstanding.

(b) In addition, all applicants for urban redevelopment pursuant to this article shall comply with the procedure for issuance of certificate of appropriateness in the zoning ordinance.

(Code 1969, § 21 1/2-1)

Sec. 11-30. Noncompliance with development plan.

(a) *Proceedings.* Whenever any person operating under an approved development plan does not substantially comply with the development plan within the time limits and in the manner for the completion of each stage thereof as therein stated or any contract entered into pursuant thereto, reasonable delays caused by unforeseen circumstances beyond their control alone excepted, or shall do, permit to be done or fail or omit to do anything contrary to or required of it by this article or shall be about to do so, permit to be done or fail or omit to have done, such fact shall immediately be certified by the planning commission to the city council, who may authorize the city attorney to commence a proceeding in the circuit court in the name of the city to have such action, failure or omission or threatened action or omission stopped, prevented or rectified by injunction or otherwise or in the name of the city to bring an action for damages against the urban redevelopment corporation for breach of any of the provisions of the redevelopment plan. If the planning commission determines that a corporation has abandoned

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construction before completion of the project in accordance with the terms of an approved development plan and the city council accepts such determination, a declaration of abandonment shall be filed with the recorder's office in the appropriate county, and the real property thereafter included in the plan shall be subject that date to assessment and payment of all ad valorem taxes based on the true full value of such real property.

(b) *Exception.* If any person shall propose more than one plan and such plans are approved as provided in this article, the failure to comply with one or more of such plans within the time limits and in the manner for the completion of each stage thereof is therein stated shall not give the city any right of action with respect to the plans which have been fully complied with within the time limit and in the manner for the completion of each stage thereof as therein stated, and the real property included in such plans which have been fully complied with shall be entitled to the tax relief provided for in this article.

(Code 1969, § 21 1/2-31)

Sec. 11-31. Grants, loans from United States.

The city or any person may accept grants or loans of money from the government of the United States or any department or agency thereof, to effectuate the purposes of this article.

(Code 1969, § 21 1/2-32)

State law reference(s)--Authority of urban redevelopment corporations to accept grants or loans from federal government, RSMo 353.170.

Sec. 11-32. Insurance companies as redevelopment corporations.

Any life insurance company operating under this article shall be limited in its net earnings derived exclusively from the ownership and operation of any redevelopment project, constructed pursuant to a development plan, to an amount not to exceed eight percent per annum upon any sums actually invested in or devoted to such redevelopment project after setting aside the reserves required by Section 11-33; provided, however, that any surplus earnings in excess of such rate shall, in the discretion of the council, be held either:

- (1) As a reserve for future eight percent per annum returns upon its investments;

- (2) For use in the maintenance or enlargement of the redevelopment project; or
- (3) For reduction in rentals charged tenants thereof.

In each case, such net earnings shall be computed according to standard accounting practices.

(Code 1969, § 21 1/2-27)

Sec. 11-33. Accounting practices.

Every corporation operating under this article shall establish and maintain depreciation, obsolescence and other reserves and surplus and other accounts, including a reserve for the payment of taxes, according to recognized standard accounting practices.

(Code 1969, § 21 1/2-28)

State law reference(s)--Life insurance companies operating as urban redevelopment corporation, RSMo 353.040.

Sec. 11-34. Powers of redevelopment corporations.

(a) *Acquisition of property.* An urban redevelopment corporation may acquire real property or secure options in its own name or in the name of nominees, and it may acquire real property by gift, grant, lease, purchase or otherwise.

(b) *Encumbrance of property.* An urban redevelopment corporation may borrow funds and secure the repayment thereof by mortgage, which shall contain reasonable amortization provisions and shall be a lien upon no other real property except that forming the whole or a part of a single development area. Any mortgage on the real property in a development area or any part thereof may create a first lien or a second or junior lien upon such real property.

(c) *Disposal of property.* An urban redevelopment corporation may sell or otherwise dispose of any or all of the real property acquired by it for the purpose of a redevelopment project. The ordinance approving any development plan and any contract entered into pursuant thereto may provide that if the sale or other disposition of real property of any urban redevelopment corporation shall occur because of the foreclosure of any mortgage or other lien through insolvency

or bankruptcy proceedings or by order of any court of competent jurisdiction or by voluntary transfer or otherwise, the partial tax relief provided under Section 11-35 shall inure to any purchaser of such real property so long as such purchaser shall continue to use, operate and maintain such real property in accordance with the provisions of the development plan. If such ordinance and contract do not so provide and the purchaser of such real property shall continue to use, operate and maintain such real property in accordance with the provisions of the redevelopment plan, the council may grant the partial tax relief provided in Section 11-35. If such real property shall be used for a purpose different than that described in the redevelopment plan or if the purchaser does not desire the property to continue under the redevelopment plan or if the ordinance approving the plan does not provide for continuing tax relief and the city council shall refuse to grant the purchaser continuing tax relief, the real property shall be assessed for ad valorem taxes upon the full true value of the real property and may be owned and operated free from any of the conditions, restrictions or provisions of this article.

(Code 1969, § 21 1/2-29)

State law reference(s)--Authority of redevelopment corporations to acquire property, RSMo 351.130; authority of redevelopment corporations to encumber or sell property, RSMo 353.140.

Sec. 11-35. Tax relief for redevelopment corporations.

The tax relief provided for a specific redevelopment corporation for a particular project shall be determined by the city council at the time the council, by ordinance, approves the redevelopment corporation's redevelopment project pursuant to the following exemptions:

- (1) *Full exemption.* The real property of a corporation acquired pursuant to this article shall not be subject to assessment of payment of general ad valorem taxes imposed by the city for a period not in excess of ten years after the date upon which such corporation became owner of such real property, except to such extent and in such amount as may be imposed upon such real property during such period measured solely by the amount of the assessed valuation of the land, exclusive of improvements, acquired pursuant to this article and owned by such

- corporation, as was determined by the assessor of the county, for taxes due and payable thereon during the calendar year preceding the calendar year during which the corporation acquired title to such real property, and the amounts of such tax assessments shall not be increased during such ten-year period so long as the real property is owned by a corporation and used in accordance with a development plan authorized by the council.
- (2) *Property already exempt.* If, however, any such real property was tax exempt immediately prior to ownership by any such corporation, the city council shall immediately request the county assessor to promptly assess such land, exclusive of improvements, in accordance with the provisions of RSMo 353.110. The amount of such assessed valuation so fixed by the county assessor shall not be increased during the ten-year period next following the date upon which such corporation acquired ownership thereof, so long as such property is owned by such corporation and used in accordance with the development plan authorized and approved by the council.
- (3) *Partial exemption.* For the next ensuing period not in excess of 15 years, city ad valorem taxes upon such real property shall be measured by the assessed valuation thereof as determined by the city council upon the basis of not to exceed 50% of the true value of such real property, including any improvements thereon, nor shall such valuations be increased over 50% of the true value of such real property from year to year during the period of 15 years, so long as such real property is owned by a corporation and used in accordance with an authorized development plan.
- (4) *Full assessment.* After such periods, totaling not more than 25 years, such real property shall be subject to assessment by the city and payment of all ad valorem taxes based on the full true value of the real property and shall be owned and operated by the urban redevelopment corporation free from the conditions, restrictions and provisions of this article, the approving ordinance and any rule or

regulation adopted pursuant to this article, provided that at any time after the completion of the redevelopment project as authorized by ordinance, the urban redevelopment corporation may elect to pay the city a sum equivalent to the amount of the general ad valorem taxes, not including interest or penalties, which would have been levied on the full value of the property from the date of the completion of the project. From that date such real property shall be owned and operated by the urban redevelopment corporation free from the conditions, restrictions and provisions of this article, the approving ordinance and any rule or regulation adopted pursuant to this article.

(Code 1969, § 21 1/2-30)

State law reference(s)--Property tax exemption, RSMo 353.110.

Secs. 11-36--11-45. Reserved.

DIVISION 2. DEVELOPMENT PLAN

Sec. 11-46. Application for approval; deposit.

(a) *Submission of application form.* Any redevelopment corporation proposing to file a development plan for approval by the city planning commission and the city council must first submit 24 copies of the proposed plan and supporting information, including the blight study and filing fee as provided in this division, to the city clerk for filing. Immediately after receipt of the filing of the development plan, the city clerk shall forward the plan to the city planning commission and to the director of community services and the city attorney. Prior to any hearing being held by the city planning commission, the director of community services and the director of public works and transportation shall review and make their recommendation on the proposed development plan. Such plan shall not be acted upon by the council until after a public hearing thereon has been held by the city planning commission and a report on such plan submitted by the commission to the council as provided in Section 11-55.

(b) *Deposit upon filing plan.* No plan or amendment to an approved plan shall be accepted for filing unless it shall be accompanied by a fee as provided in Section 11-47.

(Code 1969, § 21 1/2-5)

Sec. 11-47. Schedule of fees.

No application for approval of a development plan shall be filed with the city clerk unless accompanied by the following fees as determined by the department of planning and community development:

(1) Development plans or amendments to approved plans which extend the boundaries of approved plans:

- a. Residential plans..... \$500.00
- b. Nonresidential plans:
 - 1. If the estimated construction (new and rehabilitation) cost is between \$0--\$500,000.00..... \$500.00
 - 2. If the estimated construction (new and rehabilitation) cost is between \$500,001.00--\$1,000,000.00..... \$2,000.00
 - 3. If the estimated construction (new and rehabilitation) cost is between \$1,000,001.00--\$3,000,000.00..... \$3,500.00
 - 4. If the estimated construction (new and rehabilitation) cost is \$3,000,001.00 or over..... \$5,000.00

(1) Amendments to approved development plans:

- a. Amendments to schedule of improvements only \$250.00
- b. Amendments to building renovation and/or new construction:
 - 1. Residential plans \$250.00
 - 2. Nonresidential plans:
 - [a] If the estimated construction (new and rehabilitation) cost is \$0--\$100,000.00..... \$250.00
 - [b] If the estimated construction (new and rehabilitation) cost is \$100,001.00--\$500,000.00 \$1,000.00

[c] If the estimated construction (new or rehabilitation) cost is \$500,001.00--\$1,000,000.00 \$2,000.00

[d] If the estimated construction (new and rehabilitation) cost is \$1,000,001.00 or over..... \$2,500.00

(Code 1969, § 21 1/2-6)

Sec. 11-48. Additional fees.

In addition to the fees under Section 11-47, any applicant for a certificate of completion (partial or complete) shall pay a fee of \$60.00 per certificate.

(Code 1969, § 21 1/2-7)

Sec. 11-49. Supporting evidence of blight.

(a) *Blight study.* Any application for approval of a development plan shall include evidence that the area is a blighted area as defined by RSMo 353.020(2), and Section 11-26 of this chapter. The study shall provide evidence of the following:

- (1) Identification of the facts which demonstrate that by reason of age, obsolescence, inadequate or outmoded design or physical deterioration the area as a whole has become an economic and social liability and is conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes.
- (2) The existence of those conditions set out in Section 11-27 upon which the corporation relies.
- (3) Identification of each parcel within the area and a factual description of the parcel as to the nature and age of any improvements on the parcel and the physical condition of the parcel and any improvements thereon.

(b) *Causation of blight.* No condition caused by the redevelopment corporation shall be considered as evidence of blight.

(c) *Independent study.* The department of planning and community development shall conduct or commission an independent study of

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the existence, in the proposed area, of the criteria set out in Section 11-27 which may be supplementary to the blight study required in Subsection (a) of this section.

(d) *Review by planning commission.* The city planning commission shall review the blight study required in this section along with other evidence submitted to it.

(e) *Review by city council.* The city council shall analyze the blight studies required in this section, along with other evidence, and determine if the area is a blighted area. The city council may but shall not be required to cause an additional study to be made.

(Code 1969, § 21 1/2-8)

Sec. 11-50. Notice to taxing authority.

(a) *Notification.* In addition to the notification requirements of Section 11-55(a), no tax abatement or exemption authorized by law shall become effective until the city council complies with the notice requirements enumerated in RSMo 353.110(3), as amended.

(b) *Method of notice.* Any notice required by this section shall be in writing and mailed in the regular United States mail, postage prepaid.

(c) *Contents of notice.* Any notice required by this section shall state the reason for the notice and, if notice of a public hearing, the time, date and place of the hearing. The notice shall provide a general boundary description of the area within the development plan; the nature of the development; a tax impact analysis indicating actual and current ad valorem real estate taxes on the property proposed for redevelopment by parcel paid to each political subdivision and the effect on such taxes if the development plan is approved; and an estimate of the amount of ad valorem real estate tax revenues of each political subdivision which will be affected by the proposed tax abatement, based on the estimated assessed valuation of the real property involved as such property would exist before and after it is developed.

(d) *Comments from taxing authorities.* Any affected political subdivision may comment on the proposed development plan either in writing to the city planning commission or to the city council or through a representative in appearance

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at any hearing before the city planning commission or city council.

(Code 1969, § 21 1/2-9)

Sec. 11-51. Contents of development plan.

A development plan shall contain the following:

- (1) *Legal description.* A legal description of the development area by metes and bounds or other definite designation.
- (2) *Stages of project.* A statement of the various stages, if more than one is intended, by which the development is proposed to be constructed or undertaken, and the approximate time limit for the commencement and completion of each stage, together with a legal description of the real property to be included in each stage so as to reasonably identify the various stages. This statement shall also set forth a time schedule clearly setting forth reasonable times for commencement and completion of the following:
 - a. Acquisition of properties.
 - b. Demolition of buildings.
 - c. New construction or building renovation.
- (3) *Property to be demolished.* A statement of existing buildings or improvements in the development area to be demolished immediately, if any, and the approximate period of time during which demolition, if any, of each such building or improvement is to take place.
- (4) *Property not to be demolished.* A statement of existing buildings or improvements in the development area not to be demolished immediately, if any, and the approximate period of time during which demolition, if any, of each such building or improvement is to take place.
- (5) *Building renovation.* A statement of the proposed improvements, if any, to each building not to be demolished immediately, any proposed repairs or alterations to such buildings, and the approximate period of time during which

- such improvements, repairs or alterations are to be made.
- (6) *New construction.* A statement of the type, number and character of each new residential, commercial and industrial building or other type of improvement to be erected or made.
- (7) *Amenities.* A statement of those portions, if any, of the blighted area which shall be determined to be amenities to the project, including but not limited to permanent residential open space for recreation, streetscape, plaza areas and other similar visual effects.
- (8) *Property for public agencies.* A statement of those portions, if any, of the blighted area which are proposed to be sold, donated, exchanged or leased to the board of education, library board, art commission or other public agency and an outline of the terms of such proposed sale, donation, exchange or lease.
- (9) *Zoning changes.* A statement of the proposed changes, if any, in zoning ordinances or maps, necessary or desirable for the redevelopment and its protection against blighted influences.
- (10) *Street changes.* A statement of the proposed changes, if any, in streets or street levels, alleys, any proposed street closings and any changes which would have to be made to streets or alleys adjoining or near the redevelopment project, including the plan for financing these changes.
- (11) *Dwelling accommodations.* A statement of the character of the existing dwelling accommodations, if any, in the blighted area, the approximate number of occupants residing therein, together with the schedule of the rentals being paid by them, a schedule of the vacancies in such accommodations, if any, together with the rentals demanded therefor, and the names and addresses of occupants if the information is available.
- (12) *Housing and business relocation.* A statement of the housing accommodations available in other locations in the city for those occupants who will be displaced by the redevelopment project. The development plan shall set forth a feasible plan for the relocation of all occupants and businesses and any other entities displaced, including adequate reimbursements for reasonable relocation cost, according to the information required by Section 11-52.
- (13) *Proposed housing.* A statement of the character, type and quality of construction, approximate number of units, approximate rentals and approximate date of availability of the proposed dwelling accommodations, if any, to be furnished during construction and upon completion of the redevelopment.
- (14) *Financing.* A statement of the proposed method of financing the costs of the development plan. Included as a part of the financing statement shall be reasonable estimates on the costs of acquisition, demolition, relocation, construction, and rehabilitation, if any. Further, the financing statement shall identify the amount of equity capital which shall be required and how that equity will be raised.
- a. If the project is to be developed in phases, the financing requirements shall apply to the first phase only. However, before phase II or additional phases can begin, all financing requirements must be met for the phases being developed.
 - b. If eminent domain must be used to acquire property within a phase for a project and prior to the corporation applying to the county circuit court to condemn land or property pursuant to the power granted to it by the Urban Redevelopment Corporations Law, written evidence shall also be submitted that sufficient funds are available or will be available for the acquisition of property to be acquired, relocation benefits described in this section, completion of all demolition, and construction or rehabilitation of the redevelopment project, and that the commitment of

those funds shall remain available until the construction is completed.

- (15) *Management.* A statement of the names of the individuals who it is proposed will be active in or associated with the management of the redevelopment project during the period of at least one year from the date of approval of the development plan and the name and address of the registered agent for the corporation.
- (16) *Properties to be acquired; eminent domain.* A statement giving the legal description of the real property owned or proposed to be purchased or to be acquired by eminent domain by the corporation, and the reasons why acquisition by condemnation is proposed.
- (17) *Eminent domain on behalf of proponents of plan.* A statement giving the legal description of the real property, if any, proposed to be purchased or acquired by eminent domain by the city in behalf of the proponents of the development plan or by any other body authorized to acquire by eminent domain and the reasons why the aid of the city or other body is sought for that purpose.
- (18) *Assignment of plan.* Appropriate controls shall be provided over the right of assignment of the development to any other entity in order that the city council be assured that the intention and purpose of the redevelopment project will, in fact, be carried out.
- (19) *Certificate of incorporation.* The corporation shall include in its plan a copy of the certificate of incorporation from the secretary of state.
- (20) *Affirmative action plan.* A program to encourage the participation of all individuals regardless of race, color, creed, sex or age in all aspects of the redevelopment project.
- (21) *Other information.* The development plan and any application for amendment thereto shall contain such other statements or exhibits as may be deemed relevant.

(Code 1969, § 21 1/2-10)

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Sec. 11-52. Relocation plan.

(a) *Plan requirement.* Every corporation which requests the power of eminent domain for any part of the project area shall submit a relocation plan as part of the development plan.

(b) *Contents.* The relocation plan shall provide for the following:

- (1) Payments to all displaced occupants and displaced businesses in occupancy at least 90 days prior to the date the displaced occupant or the displaced business is required by the corporation to vacate the premises; and
- (2) Program for identifying needs of displaced occupants and displaced businesses with special consideration given to income, age, size of family, nature of business, availability of suitable replacement facilities and vacancy rates of affordable facilities; and
- (3) Program for referrals of displaced occupants and displaced businesses with provisions for a minimum of three suitable referral sites, a minimum of 90 days' notice of referral sites for handicapped displaced occupants and 60 days' notice of referral sites for all other displaced occupants and displaced businesses, prior to the date such displaced occupant or displaced business is required to vacate the premises and arrangements for transportation to inspect referral sites to be provided to displaced occupants, identified as "designated occupants"; and
- (4) Every displaced occupant and every displaced business shall be given a 90-day notice to vacate; provided, however, that the corporation may elect to reduce the notice time to 60 days if the corporation extends the relocation payments and benefits set forth in Subsections (d), (e) and (f) of this section to any displaced occupant or displaced business affected by the reduction in time.

(c) *Designated occupants.* For purposes of this section, "designated occupants" means handicapped displaced occupants and those

displaced occupants who are 65 years of age or older at the time of the notice to vacate or who have an income less than the average median income for the metropolitan area as certified annually by the director of community services based upon the standards established by the U.S. Department of Housing and Urban Development.

(d) *Payments to occupants.* All displaced occupants eligible for payments under Subsection (b)(1) of this section shall be provided with relocation payments based upon one of the following, at the option of the occupant:

- (1) A \$500.00 payment to be paid at least 30 days prior to the date the occupant is required to vacate the premises;
- (2) Actual reasonable costs of relocation including actual moving costs, utility deposits, key deposits, storage of personal property up to one month, utility transfer and connection fees and other initial rehousing deposits including first and last month's rent and security deposit; or
- (3) The corporation shall comply with all provisions of RSMo 135.255, as amended, relating to owner occupants in the development area which are included in an enterprise zone.

(e) *Handicapped displaced occupant allowance.* In addition to the payments provided in Subsection (d) of this section, an additional relocation payment shall be provided to handicapped displaced occupants which shall equal the amount, if any, necessary to adapt a replacement dwelling to substantially conform with the accessibility and useability of such occupant's prior residence, such amount not to exceed \$400.00.

(f) *Payment to businesses.* All displaced businesses eligible for payments under Subsection (b)(1) of this section shall be provided with relocation payments based upon the following, at the option of the business:

- (1) A payment of \$1,500.00 to be paid at least 30 days prior to the date the business is required to vacate the premises; or

- (2) Actual costs of moving, including costs for packing, crating, disconnection, dismantling, reassembling and installing all personal equipment and costs for relettering signs and replacement stationery.

(g) *Waiver of payments.* Any occupant who is also the owner of premises and any business may waive their relocation payments set out in this section as part of the negotiations for acquisition of the interest held by the occupant or business. The waiver shall be on a form supplied by the director of community services and filed in his office.

(h) *Notice of relocation benefits.* All occupants and businesses eligible for relocation benefits under this section shall be notified in writing of the availability of such relocation payments and assistance, such notice to be given concurrent with the notice of referral sites required by Subsection (b)(3) of this section.

(i) *Persons bound by the plan.* Any redevelopment corporation, its assignees or transferees is required to comply with the provisions of this section and shall certify such compliance to the director of community planning and development in accordance with Subsection (d) of this section. No person shall be entitled to the tax abatement provisions of this article if the person has failed to comply with the relocation benefits provided in this section.

(j) *Minimum requirements.* The requirements set out in this section shall be considered minimum standards. In reviewing any plan proposed, the city council shall determine the adequacy of the proposal and require additional elements to be provided therein.

(k) *Amendment to development plan.* A relocation plan in conformance with this section shall be submitted with an amendment to a development plan and shall be applicable to all occupants and businesses within the development plan.

(Code 1969, § 21 1/2-11)

Sec. 11-53. Tax agreements by corporations.

(a) *Payments in lieu of taxes.* In the course of considering any development plan for approval, the city planning commission and the city council shall give particular recognition to any

agreement, in writing, on behalf of the corporation presenting such plan that, notwithstanding the provisions of the Urban Redevelopment Corporations Law, it will make payments in lieu of real property taxes to the appropriate political subdivisions in such amount which, together with the real property taxes to be paid on the land for the first ten years, shall, as a minimum, equal the total real property taxes on the land and improvements during the tax year immediately preceding purchase of the property by the corporation; however, such sum may actually in fact exceed the current level of taxes.

(b) *Distribution.* Payments in lieu of taxes shall be distributed to all political subdivisions levying taxes on the area to be redeveloped on the same pro rata basis and in the same manner as the ad valorem real property tax revenues received by each taxing authority from such property in the year such payments are due.

(c) *Hearing and report.* As part of the consideration of any development plan, there shall be a full report on any agreement for payments in lieu of taxes.
(Code 1969, § 21 1/2-12)

Sec. 11-54. Certifications required by corporations.

At the time of filing a development plan which provides for the acquisition of property by eminent domain, the corporation shall certify that the corporation, as a consideration for approval of the plan, after approval of the plan, shall in good faith attempt to purchase by negotiation any given property within the project area subject to eminent domain within 180 days following a request, in writing, by the property owner to the corporation that he desires to proceed with the sale of the property and that it will, if a sale of the property cannot be consummated within the period, proceed forthwith to file a proceeding in condemnation after the 180 days have elapsed. The certification shall be filed with the city clerk. Failure to abide by the terms of the certification, shall be grounds for a finding of a breach as provided in this article.
(Code 1969, § 21 1/2-13)

Sec. 11-55. Hearing and report on proposed development plan.

(a) *Notification by corporation.* Notification that a development plan has been filed with the

city shall be deposited in the regular United States mail, postage prepaid, and addressed to each person or persons shown on the county tax rolls for the last preceding calendar year on each lot, block, tract or parcel of land lying within the development area and subject to the development plan and each tenant or occupant of property in the development area if the owner does not reside in the premises. However, if the corporation has no information as to the name of any occupant, the notice shall be addressed to "occupant" at the address, including apartment number, if any, within the project area. An affidavit that notification by mail has been given to such persons shall be provided on or before the date of any hearings before the planning commission and the city council on such development plan.

(b) *Notification and hearing by commission.* Immediately upon receipt of such application from the city clerk, the planning commission officer shall note the date of receipt of the application and make a permanent record thereof. The planning commission shall conduct a public hearing within 60 days thereafter. It shall be the duty of the planning commission to give public notice of the application for the redevelopment plan. Public notice shall be defined as publication in an official paper or paper of general circulation of the time and place of the planning commission's hearing thereof, at least 15 days prior to the hearing.
(Code 1969, § 21 1/2-14; G.O. 2071, 1-3-05)

Sec. 11-56. Determinations prior to approval of development plan.

(a) *Determination as blighted area.* As part of its review of an application for approval of a development plan, the planning commission shall review the evidence adduced pursuant to Section 11-49(a) and (c) concerning the designation of blight and that the declaration of blight is necessary and advisable to effectuate the public purposes set forth in Section 11-27.

(b) *Determination as to development plan.* Regardless of the recommendation of the planning commission on a determination of blight, the planning commission shall review the development plan submitted and forward to the city council a recommendation on the development plan concerning the following:

- (1) Compliance with the master plan;

- (2) Necessity of the power of eminent domain to carry out the project and to effectuate the purposes set forth in Section 11-27 without creating a negative effect on adjacent properties;
- (3) Sufficiency of size to allow redevelopment of the area in an efficient and economically satisfactory manner;
- (4) Practicality of development plan;
- (5) Adequacy of relocation benefits;
- (6) Availability of housing and business accommodations to displaced businesses;
- (7) Adequacy of public facilities, including but not limited to school, fire, water, sewer, police, transportation, park, playground and recreation, considering current facilities and those proposed for service concurrent with the redevelopment project;
- (8) Appropriateness of any changes to zoning ordinances or maps, vacation or closing streets and alleys or the construction of streets and alleys; and
- (9) Compliance with the provisions of Section 11-51.

(c) *Determination as to financing.* The planning commission shall review the statement of financing as provided in Section 11-51(14) and forward to the city council a recommendation as to the adequacy of financing based upon the reasonable costs proposed in the development plan.

(d) *Determination as to tax abatement.* The planning commission shall review the proposed redevelopment project and forward to the city council a recommendation as to the necessity of tax abatement for economic feasibility of the construction of the redevelopment project and the effect of tax abatement on the political subdivisions affected by such abatement.
(Code 1969, § 21 1/2-15)

Sec. 11-57. Recommendation by planning commission.

The planning commission shall review the development plan and make a recommendation to

the city council. In arriving at its recommendation, the commission shall consider the blight studies, the development plan and the type of development which is physically desirable for the area concerned. After fully considering each development plan, the commission shall forthwith transmit its recommendations thereon to the council.

(Code 1969, § 21 1/2-16)

Sec. 11-58. Filing commission report; council action.

(a) The report of the planning commission upon each development plan shall be filed with the city clerk, accompanied by an ordinance providing for the approval, disapproval or other action on such plan. If such ordinance provides for the approval of the plan, the council may, if it deems desirable, authorize the city manager to enter into a contract on behalf of the city with the proposer of the plan, such contract to contain the provisions as embodied in the plan, the approving ordinance, a provision that the applicable provisions of this article shall be incorporated by reference into such contract and a provision that the terms, conditions or provisions of the contract can be neither modified nor eliminated except by mutual agreement between the city and the proposer of the plan; provided, however, that no such contract shall be construed as an enlargement of the authority conferred upon the city by the Urban Redevelopment Corporations Law. The city clerk shall submit such ordinance, together with such report and plan, to the council at its next regular meeting for a public hearing.

(b) After public hearings have been held upon development plans, if more than one development plan shall have been filed with the city clerk, the council shall take one of the following alternatives:

- (1) Unconditionally approve the plan and may, if it deems desirable, authorize the city manager on behalf of the city to enter into a contract with the proposer thereof, or disapprove the plan;
- (2) Approve the plan subject to such conditions, exceptions or restrictions as the council may deem to be in the public interest;

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- (3) Refer such plan to the planning commission with recommendations as to changes or amendments to be made therein;
 - (4) Refer such plan back to the planning commission when more information is desired or clarification of the commission's recommendation is needed by the council; or
 - (5) Reject the plan.
- (Code 1969, § 21 1/2-17)

Sec. 11-59. Certificate of public convenience and necessity for corporation to acquire property by eminent domain.

If the corporation proposing a development plan seeks to acquire by eminent domain in its own name all or any part of the real property described in the development plan, the council shall, by the ordinance approving such plan, determine that the public convenience and necessity will be served by the development plan and redevelopment project and shall grant to such corporation a certificate of public convenience and necessity authorizing and empowering such corporation to acquire by the exercise of eminent domain such real property in fee simple or other estate, provided that such real property shall be devoted to the purposes and used subject to the conditions described in the development plan. Such corporation may thereafter exercise the power of eminent domain in the manner provided for corporations in state law or it may exercise the power of eminent domain in the manner provided by any other applicable statutory provision. Property already devoted to a public use may be acquired in like manner, provided that no real property belonging to the city or to the state or any political subdivision thereof may be acquired without its consent.

(Code 1969, § 21 1/2-18)

Sec. 11-60. Findings and declarations of council.

In any ordinance approving a development plan, the council shall make the following findings and declarations that:

- (1) The area included within a development plan is a blighted area and the clearance, redevelopment, replanning, rehabilitation

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or reconstruction thereof is necessary for the public convenience and necessity.

- (2) If a corporation seeks to acquire all or part of the real property within a blighted area by the exercise of the power of eminent domain, such acquisition by the exercise of the power of eminent domain is for the public convenience and necessity.
- (3) Approval of the development plan and construction of the redevelopment project are necessary for the preservation of the public peace, property, health, safety, morals and welfare.

(Code 1969, § 21 1/2-19)

Sec. 11-61. Financial restrictions on corporation.

(a) *Obligations, interest.* No corporation whose development plan has been approved by the council shall:

- (1) Issue income debentures, bonds, notes or other evidences of debt bearing or paying an interest rate in excess of that permitted by state law.
- (2) Pay any interest on its income debentures or dividends on its stock, regardless of class or preference, during any dividend year, unless there shall exist at the time of such payment no default under any amortization requirements with respect to its indebtedness nor unless all accrued interest, taxes and other public charges shall have been duly paid or reserves set up for the payment thereof and adequate reserves provided for depreciation, obsolescence and other proper reserves.

(b) *Net earnings.* The net earnings of a corporation whose development plan has been approved by the council shall be limited to an amount not to exceed eight percent per annum of the cost to such corporation of the redevelopment project including the cost of the land or the balance of such total cost of the project as reduced by amortization payments, provided that the net earnings derived from any redevelopment project shall in no event exceed a sum equal to eight percent per annum upon the entire cost thereof. Such net earnings shall be computed

after deducting from gross earnings the following:

- (1) All reasonable costs and expenses of maintenance and operation.
- (2) Amounts paid for taxes, assessing, insurance premiums and other similar charges.
- (3) An annual amount sufficient to amortize the cost of the entire project at the end of the period, which shall be not less than 20 years nor more than 60 years from date of completion of the project.

(Code 1969, § 21 1/2-20)

Sec. 11-62. Performance requirement of corporation.

If a development project is to be completed in phases, then no new phase can begin unless the existing phase is 80 percent complete, without approval of the council.

(Code 1969, § 21 1/2-21)

Sec. 11-63. Certifications.

(a) *Annual report.* After approval of a development plan by the council, the corporation shall file an annual report providing the following information:

- (1) Availability of equity financing as provided for in Section 11-51 or some other acceptable alternative financing.
- (2) Financial statement indicating compliance with Section 11-61.
- (3) Names and addresses of occupants and businesses displaced by the corporation and specific relocation benefits provided to each occupant and business, as well as a sample notice provided each occupant and business within the past year.
- (4) Legal description of property acquired and name in which property was acquired as required pursuant to Section 11-64.
- (5) Addresses of all occupied residential buildings and structures owned or under the control of the corporation and the status of compliance of such buildings and structures with the pertinent provisions of this Code.

- (6) Status of the redevelopment project as to permits applied for, permits issued, certificates of occupancy issued and any other appropriate documentation relevant to the information as part of Section 11-51(2) through (6).

(b) *Additional certifications.* The corporation shall certify that the notices required by Sections 11-50 and 11-55 have been given as therein provided.

(c) *Filing.* The certifications required by Subsections (a) and (b) of this section shall be filed with the director of finance and the director of community services.

(Code 1969, § 21 1/2-22)

Sec. 11-64. Expiration of development plan.

(a) *Sunset provision.* After approval of a development plan by the city council, the corporation shall proceed expeditiously to acquire ownership of the property within the blighted area and to commence the clearance of blight. Failure to acquire the fee interest and any lesser interest in the name of the corporation or on behalf of the corporation by a designated person within the time period allowed by ordinance of the council, which time period shall not be less than two nor more than six years after the date specified in the contract between the city and the corporation for phase I, and each phase thereafter, shall result in an automatic loss of the development rights, including the rights of eminent domain and tax abatement, and the development plan and contract shall become null and void as to the respective and all subsequent phases.

(b) *Certification.* Prior to the expiration of the time provided in Subsection (a) of this section, the corporation shall notify the director of finance of all interests acquired by the corporation or on behalf of the corporation and identify with specificity any designated person acquiring such interests on behalf of the corporation.

(c) *Condemnation.* For purposes of this section, the initiation of condemnation proceedings by the filing of a petition in the appropriate court and the continued pursuance thereof shall be deemed acquisition for the parcels of land under condemnation, provided that the corporation notifies the director of finance of the condemnation action.

(d) *Contract provisions.* Any contract approved pursuant to this article shall identify the provisions of this section.

(e) *Applicability.* The provisions set forth in this section shall not apply to any redevelopment project or amendment thereto in effect prior to August 13, 1982. Contractual arrangements entered into concerning termination of an approved redevelopment project and amendment thereto shall not be affected by this section.

(Code 1969, § 21 1/2-23)

Sec. 11-65. Commission investigations, reports, rules and regulations.

(a) *Investigation.* It shall be the duty of the planning commission, after a development plan has been approved by the city council, to investigate and determine from time to time during construction of the redevelopment project whether the corporation undertaking such development plan is fully complying with the provisions thereof, in the manner and at the times fixed therein for the performance of the various stages thereof.

(b) *Reports.* It shall also be the duty of the commission to make reports from time to time during the construction of the redevelopment project and at least once a year to the city council regarding each redevelopment project and the performance or compliance with each development plan and also as to compliance with the provisions of this article by any corporation operating thereunder. However, if the plan has been amended within the one-year time frame, no report need be forthcoming.

(c) *Time extension.* The city council may, upon the recommendation of the commission and for good cause shown, grant to the corporation operating under an approved development plan an extension of time in which to complete the redevelopment project or any step or portion thereof.

(d) *Recommendation of certification.* When a corporation operating under an approved development plan shall have completed the redevelopment project in accordance with the provisions of the development plan, in the manner and at the time fixed therein for the performance of the various stages thereof, the commission, upon the written request of such corporation, shall conduct an investigation. If the commission

determines that the project has been so completed, it shall recommend to the city council that a certificate of full compliance be issued to such corporation for each stage. The city council may authorize the director of community services to issue a certificate which shall be conclusive evidence of such compliance, except upon proof of fraud. The investigation and reports of the commission required by Subsections (a) and (b) of this section shall not be required or made subsequent to the date of issuance of such certificate. However, every such corporation shall render annually to the director of finance, during the existence of the tax relief period provided in Section 11-35, three copies of its financial report for the preceding year, which report shall disclose the earnings of the corporation and the disposition of any net earnings in excess of those provided for under Section 11-61 and the interest rate on income debentures, bonds, notes or other evidences of debt of the corporation; thereupon, the director of finance shall review the financial report of the corporation and thereafter he shall file with the city clerk and the commission the financial report, accompanied by his opinion, as to compliance by the corporation of Section 11-61.

(e) *Rules and regulations.* The commission shall also have power to make and adopt such rules and regulations necessary and proper to effectuate the purposes of this article.

(Code 1969, § 21 1/2-24)

Sec. 11-66. Amendment of plan.

The planning commission shall review any amendment to a development plan, previously approved by ordinances, and make its recommendation accordingly to the city council. No such amendment shall be reviewed by the commission unless and until an application for amendment has been filed with the city clerk by the corporation or its assignee containing those portions of the statements and information required by Section 11-51 relevant to the proposed amendment, and unless and until the commission shall make the determinations required by Section 11-56 relevant to the proposed amendment. The notice and hearing requirements of Sections 11-50 and 11-53 shall also apply.

(Code 1969, § 21 1/2-25)

Sec. 11-67. Disposition of surplus earnings of corporation.

The development plan may, upon approval of the council, contain provisions that the surplus earnings provided under Section 11-61 may be:

- (1) Held by the corporation as a reserve for maintenance of such rate of return in the future and may be used by the corporation to offset any deficiency in such rate of return which may have occurred in prior years;
- (2) May be used to accelerate the amortization payments;
- (3) May be used for the enlargement of the project;
- (4) May be used for reduction in rentals therein;

provided that at the termination of the tax relief granted pursuant to Section 11-35, the urban redevelopment corporation shall make a strict accounting of surplus earnings and shall turn over to the city any excess of such surplus earnings not previously used as provided in Subsection (1), (2), (3) or (4) of this section.
(Code 1969, § 21 1/2-26)

ARTICLE III. URBAN HOMESTEAD PROGRAM**Sec. 11-76. Established.**

The City of St. Joseph, Missouri, hereby establishes an urban homestead program to be administered by the urban homestead agency board.
(G.O. 3022, 3-7-22)

Sec. 11-77. Urban Homestead Agency Board.

(a) *Creation; membership.* The urban homestead agency board is hereby created and shall be comprised of seven members, all of whom shall be residents of the city.

(b) *Appointment.* Members of the urban homestead agency board shall be appointed by the mayor with the approval of the city council. Four members shall be members of city staff working in the areas of planning, community

development, public safety, or other area as advised by the city manager. Three members shall be members of the city council or planning commission.

(c) *Terms.* The three city council or planning commission members appointed to serve on the urban homestead agency board shall be appointed, respectively, for a one, two, or three-year term. All subsequent appointments shall be for three-year terms, or until either (1) their successors are appointed or (2) they resign from the board or are no longer qualified to serve. Members may only serve two consecutive terms. Vacancies shall be filled for the unexpired term of any members whose terms become vacant.

(d) *Board actions.* Action taken by the board shall be taken by a majority vote of members present; provided, however, that no action may be taken unless at least four board members are present.

(e) *Officers.* The board shall select a chair, vice-chair, and secretary and may employ agents, technical consultants, or legal counsel if deemed necessary.

(f) *Compensation.* Members of the board shall serve without compensation for their duties as members; however, they may perform duties in their role as members of the board while receiving compensation to which they are entitled as employees or elected officials of the city.
(G.O. 3022, 3-7-22)

Sec. 11-78. Definitions.

As used in this article the terms are defined as follows:

- (1) "Abandoned property," shall mean any real property on which there is a vacant structure and on which real property taxes have been delinquent for one year or more and orders have been issued by the city's fire official, building official or health official and there has been no compliance with those orders within the prescribed time given by such official or within 90 days, whichever is longer, or the owner has declared in writing to the building official that his property is abandoned or there has been a determination by the city that the vacant structure contributes to housing blight;

- (2) "Board" shall mean the urban homestead agency board established in this article.
 - (3) "Building official," shall mean the municipal official designated by the city manager to administer the provisions of the municipal building, housing, or property maintenance codes;
 - (4) "Fire official," shall mean the municipal official designated by the city manager to administer the provisions of the municipal fire safety code;
 - (5) "Health official," shall mean the municipal official designated by the city manager to administer the provisions of any local health code;
 - (6) "Hearing examiner," shall mean a person appointed by the urban homestead agency board for the purposes described in this article.
 - (7) "Low- or moderate-income families," shall mean families or individuals who lack the amount of income necessary to rent or purchase adequate housing without financial assistance, as defined by such income limits as shall be established by the Missouri Housing Development Commission for the purposes of determining eligibility under any programs aimed at providing housing for low- and moderate-income families or persons;
 - (8) "Owner," shall mean any holder, as appears in the land records of the municipality, of title to real property and any mortgage or other secured or equitable interest in such property;
 - (9) "Rehabilitation permit" and "demolition permit," shall mean those permits obtained from the building official, or his or her designee, for the purpose of rehabilitating or demolishing a structure;
 - (10) "Urban homesteader," shall mean any person, firm, partnership, corporation, or other legal entity to which urban homestead program property is conveyed;
- (G.O. 3022, 3-7-22)

Sec. 11-79. Abandoned properties.

(a) *Identification of abandoned properties.* The building official shall certify to the urban homestead agency board all properties that are abandoned, together with a statement as to which structures are suitable for rehabilitation, and all city-owned properties that are vacant, together with a statement as to which properties are suitable for construction. At least quarterly thereafter the building official shall certify to the urban homestead agency board any changes in the number or condition of the abandoned properties or the vacant city-owned properties.

(b) *Hearing; appeal.* Upon receipt of the list of the abandoned properties, the urban homestead agency board shall serve notice to each owner of such properties by mailing to the owner by certified mail to the last known address of such owner, or, in the case of the owner who cannot be identified or whose address is unknown, by publishing a copy of such notice in a newspaper having general circulation in the city, stating such property has been determined to be abandoned and setting a date for a hearing before the urban homestead agency board, or any hearing examiner appointed by the urban homestead agency board, for the purpose of determining whether the owner is willing and able to rehabilitate or demolish the structure(s) on such abandoned property within a reasonable time. At such hearing the owner may contest the designation of such property as abandoned. A decision rendered by a hearing examiner after such hearing shall be in writing and shall be filed with the urban homestead agency board for its final decision. All decisions of the urban homestead agency board shall be in writing and shall be mailed, by certified mail, return receipt requested, to each owner and to all parties to the proceedings. A decision of the urban homestead agency board may be appealed by filing an action in circuit court within 30 days after notification of the decision is received.

(c) *Acquisition.* In the event that an owner fails to appear, either personally or by an attorney, on the date set for the hearing or any adjourned date of such hearing, or in the event the urban homestead agency board or the hearing examiner holds a public hearing as described in this article and determines the owner of such abandoned property is not willing or able to rehabilitate or demolish such structure(s) within a reasonable time, the urban homestead agency board may

recommend to the city council that the urban homestead agency board be authorized to acquire the abandoned property, either by purchase of such property, free and clear of any liens, for an amount not in excess of fair market value of the land and any improvements thereon as determined by the urban homestead agency board, or by eminent domain under the authority of the city. Eminent domain proceedings instituted under this section shall be undertaken by the urban homestead agency board in the same manner as provided by law for condemnation proceedings by the city, and title to all property acquired pursuant to this subsection shall be held in the name of the city.

(d) *Voluntary acquisition.* Notwithstanding any other provision of this section, an urban homestead agency board may, at any time, with the concurrence of the city council, accept free and clear title to an abandoned property upon which exists a structure deemed rehabilitable by a building official for such consideration not in excess of the fair market value of the land and any improvements on such land as determined by the urban homestead agency board.

(G.O. 3022, 3-7-22)

Sec. 11-80. Sale or transfer of urban homestead agency property.

(a) *Notice.* Upon acquisition of real property by the urban homestead agency board or upon certification by the building official of vacant city-owned property and approval of the city council, the urban homestead agency board shall publish a notice at least twice in a newspaper having general circulation in the city. Such notice shall include the estimated purchase price, the qualifications for applicants, procedures for bidding on the property and the closing date for such bidding. The second notice shall be published not less than two weeks before such closing date.

(b) *Bid process; terms of purchase.* Within 30 days after the closing date for bidding, the urban homestead agency board shall recommend to the city council the transfer of such property to a qualified applicant under such terms and conditions as are determined by the board; provided, however, that the applicant shall be selected in accordance with priorities established in Section 11-81 herein.

(c) *Transfer and rehabilitation.* The city council may, by resolution, vote to transfer the urban homestead property with or without compensation to the applicant selected pursuant to subsection (b) of this section. Such transfer shall be made pursuant to a contract of sale and rehabilitation or construction which shall provide among other things that, as consideration for the transfer:

- (1) The property transferred be rehabilitated or constructed predominantly for residential use and be brought into, and maintained, in conformity with, applicable health, housing, and building code standards;
- (2) The rehabilitation or construction shall commence and be completed within a time frame established by the urban homestead agency board.
- (3) Such other terms as the board may deem advisable to ensure preservation and adequate rehabilitation of the property.

(d) *Transfer by homesteader.* Prior to the issuance of a certificate of occupancy by the building official, no transfer of the property or any interest therein, except a transfer to a bona fide mortgagee or similar lienholder, may be made by the homesteader without the approval of the urban homestead agency board; provided, however, that any such transfer may only be made for consideration in an amount that does not exceed the cost of the property to the homesteader together with the costs of any improvements made or construction thereon by the homesteader. The urban homesteader shall abide by all applicable federal, state, and local law related to the sale or rental of the property.

(G.O. 3022, 3-7-22)

Sec. 11-81. Access to sold or transferred property.

Representatives of the urban homestead agency board, the city, and where state or federal assistance is involved, representatives of the state and federal governments, shall have access to property that has been sold or transferred by the urban homestead agency board during normal business hours for the purpose of inspecting compliance with the provisions of Section 11-80.

(G.O. 3022, 3-7-22)

Sec. 11-82. Prospective buyer priority.

The urban homestead agency board shall select from among applicants to acquire urban homestead program property those applicants who, in the determination of the agency, can acquire the necessary financial and technical resources to rehabilitate or construct, own and manage urban homestead program property. Such property shall be offered to such qualified applicants in accordance with the following priorities:

- (1) Persons displaced by governmental activities who declare, in writing, their intent to occupy the property for a period of not less than two years;
- (2) Low- and moderate-income families declaring, in writing, their intent to occupy the property for a period of not less than two years;
- (3) Families or persons providing the highest bid for the property;
- (4) Amount of consideration bid for the property by such persons or families;
- (5) Municipal housing authority formed pursuant to RSMo Chapter 99, including the St. Joseph Housing Authority; and
- (6) Any other qualified applicant, provided the urban homestead agency board has certified that no qualified urban homesteaders of higher priority have applied.

(G.O. 3022, 3-7-22)

Sec. 11-83. Agency financial assistance.

(a) The urban homestead agency board may provide financial assistance to urban homesteaders for the purchase and rehabilitation of, or construction on, urban homestead program property. Such financial assistance may be in the form of a forgivable loan. All such forgivable loans, if made by the urban homestead agency board, shall be secured by a mortgage naming the city as the mortgagee. Forgivable loans made by the city may be forgivable, provided terms of forgiveness are met by the urban homesteader.

(b) The urban homesteading agency may utilize federal, state or other public or private

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financial assistance, provided that any such assistance requiring local financial participation must be approved by the city council.

(G.O. 3022, 3-7-22)

Sec. 11-84. Abatement of taxes and liens.

An urban homestead agency board may recommend to the city council the abatement, in whole or in part, of real property taxes due on urban homestead program property conveyed to an urban homesteader pursuant to Sections 99.875 to 99.912, or the deferral of such taxes for a period not to exceed five years as provided in Article X, Section 7 of the Constitution of the state of Missouri. Such city council may, by resolution, authorize such abatement, except that the abatement shall only apply if the property is owned for the entire tax year by the homesteader to which the urban homestead agency board originally transferred the property.

(G.O. 3022, 3-7-22)

Sec. 11-85. Agency may accept property from U.S. government, notice, publication, content – conveyance of property to urban homesteader, requirements.

Notwithstanding any other provision of this article, the urban homestead agency board may accept, on behalf of the city any real property tendered to it without payment by the United States of America, acting by and through the Secretary of Housing and Urban Development, pursuant to the provisions of Section 810 of the Housing and Community Development Act of 1974 (P.L. 93-383). Upon acquisition of real property by the urban homestead agency board under this section, the urban homestead agency shall publish at least twice a notice in a newspaper having general circulation in the city. Such notice shall include the estimated purchase price, the qualifications of the applicant, procedures for bidding on the property and the closing date for such bidding. The second notice shall be published not less than two weeks before such closing date. In addition thereto, the city council may, upon recommendation of the urban homestead agency, authorize conveyance of such real property to an urban homesteader meeting the requirements of Subsection (b)(3) of Section 810 of the Housing and Community Development Act of 1974 in accordance with the requirements and procedures set forth in Section 810 of the Housing and Community Development Act of

1974 and any regulations promulgated thereunder by the Secretary of Housing and Urban Development.
(G.O. 3022, 3-7-22)

Sec. 11-86. Agency funding.

The director of finance shall create an “Urban Homestead Fund.” The fund shall be used to aid the urban homestead agency board in providing financial assistance to urban homesteaders in the form of loans (including forgivable loans) for the purchase and rehabilitation of, or construction on, urban homestead program property and to aid any urban homestead agency board in providing financial assistance to a municipal housing authority in the form of grants for the purchase and rehabilitation of, or construction on, urban homestead program property.
(G.O. 3022, 3-7-22)