

BILL NO. 59

ORDINANCE NO. 2023-59

AN ORDINANCE OF THE CITY OF TRENTON, MISSOURI, CALLING FOR THE SUBMISSION TO THE VOTERS OF THE CITY OF A PROPOSITION AUTHORIZING A SALES TAX FOR ECONOMIC DEVELOPMENT PURPOSES AND ESTABLISHING AN ECONOMIC DEVELOPMENT SALES TAX BOARD AND PROGRAM.

**WHEREAS**, The City of Trenton (the “City”) is a body corporate and a political subdivision of the State of Missouri, duly created, organized and existing under and by virtue of the Constitution and laws of the State of Missouri; and

**WHEREAS**, the City is authorized pursuant to Section 67.1305 of the laws of the State of Missouri, upon submission to and approval by the qualified voters of the City, to impose a one half of one percent sales tax on all retail sales made in the City, which are subject to taxation under Chapter 144 RSMo. for economic development purposes as set forth in the statute; and

**WHEREAS**, the City does now find and determine that it is desirable and in the public interest that the proposition hereinafter provided for be submitted to the qualified voters of the City at an election.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TRENTON, MISSOURI, AS FOLLOWS, TO WIT:

Section 1. An election is hereby called to be held in the City of Trenton on Tuesday, April 2, 2024, for the purpose of submitting to the qualified voters of the City a proposition to authorize the imposition of a sales tax of one half of one percent tax on all retail sales made in the city which are subject to sales tax under Chapter 144, RSMo., for economic development purposes. The question shall be submitted in substantially the following language:

Shall the City of Trenton impose a sales tax at a rate of one half of one percent for economic development purposes?

Yes \_\_\_\_\_

No \_\_\_\_\_

Section 2. The City Clerk is hereby authorized to notify the County Clerk of Grundy County, Missouri of the enactment of this Ordinance no later than 5:00 p.m. on Tuesday January 23, 2024 in accordance with the Comprehensive Election Act, Chapter 115 of the Revised Statutes of Missouri, as amended

Section 3. Chapter 140 of the Trenton City Code is hereby amended by the addition of one new section, 140.106, to read as follows:

A. Pursuant to the provisions of Section 67.105, RSMo., a sales tax of one half of one percent is imposed for economic development purposes on all retail sales made in the city which are subject to sales tax under Chapter 144, RSMo. on and after the first day of the second calendar quarter after approval of such tax by the voters of the City.

B. Economic Development Sales Tax Fund. All revenue generated by the tax referenced in this Article shall be deposited in a special trust fund and shall be used solely for purposes permitted by law as contemplated by the governing state statutes and according to the following rules and conditions:

1. No revenue generated by the tax in this Chapter shall be used for any retail development project, except for the redevelopment of downtown areas and historic districts.
2. Not more than twenty-five percent of the revenue generated shall be used annually for administrative purposes, including staff and facility costs.
3. At least twenty percent of the revenue generated shall be used solely for projects directly related to long-term economic development preparation, including, but not limited to, the following:
  - a. Acquisition of land;
  - b. Installation of infrastructure for industrial and business parks;
  - c. Improvement of water and wastewater treatment capacity;
  - d. Extension of streets;
  - e. Public facilities directly related to economic development and job creation; and
  - f. Providing matching dollars for state or federal grants relating to such long-term projects.
4. The remaining revenue generated may be used for, but shall not be limited to, the following:
  - a. Marketing;
  - b. Providing grants and loans to companies for job training, equipment acquisition, site development and infrastructures;
  - c. Training programs to prepare workers for advanced technologies and high skill jobs;

- d. Legal and accounting expenses directly associated with the economic development planning and preparation process; and
- e. Developing value-added and export opportunities for Missouri agricultural products.

C. Economic Development Sales Tax Board.

1. There is hereby established an economic development tax fund board to consist of five members, to be appointed as follows:
  - a. One member shall be appointed by the school districts included within any economic development plan or area funded by the sales tax referenced in this Article in any manner agreed upon by the affected districts;
  - b. Three members shall be appointed by the Mayor with the consent of the majority of the City Council; and
  - c. One member shall be appointed by the Grundy County Commission.
2. Of the members initially appointed, three shall be designated to serve for a term of two years and the remaining members shall be designated to serve for a term of four years from the date of such initial appointments. Thereafter, the members appointed shall serve for terms of four years except that all vacancies shall be filled for unexpired terms in the same manner as were the original appointments.
3. The board shall receive no compensation and no operating budget.
4. The board, subject to approval of the City Council, shall consider economic development plans, economic development projects, or designations of an economic development area, and shall hold public hearings and provide notice of any such hearings. The board shall vote on all proposed economic development plans, economic development projects, or designations of an economic development area, and amendments thereto, within thirty (30) days following the completion of the hearing of any such plan, project, or designation, and shall make recommendations to the City Council within ninety days of the hearing concerning the adoption of or amendment to economic development plans, economic development projects, or designations of an economic development area. The City Council shall have the final determination on use and expenditure of any funds received from the tax referenced in this Section.

5. The board may consider and recommend using funds received from the tax referenced in this Article for plans, projects, or area designations outside the boundaries of the city if, and only if:
  - a. The city or state receives significant economic benefit from the plan, project, or area designation; and
  - b. The board establishes an agreement with the governing bodies of all cities and counties in which the plan, project or area designation is located detailing the authority and responsibilities of each governing body with regard to the plan, project, or area designation.

D. Special Taxing Districts. Notwithstanding any other provision of the law to the contrary, the economic development sales tax when imposed within a special taxing district, including but not limited to a tax increment financing district, neighborhood improvement district, or community improvement district, shall be excluded from the calculation of revenues available to such districts, and no revenues from the economic development sales tax shall be used for the purposes of any such district unless recommended by the economic development tax board and approved by the City Council.

E. Report to the City Council.

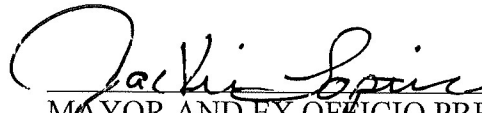
1. The board and the City shall report at least annually to the City Council on the use of funds provided under this section and on the progress of any plan, project, or designation adopted under this section and shall make such report available to the public.
2. Not later than the first day of March each year the board shall submit to the joint committee on economic development a report, not exceeding one page in length, which must include the following information for each project using the tax authorized under this section:
  - a. A statement of its primary economic development goals;
  - b. A statement of the total economic development sales tax revenues received during the immediately preceding calendar year;
  - c. A statement of total expenditures during the preceding calendar year in each of the following categories:
    - i. Infrastructure improvements;
    - ii. Land and/or buildings;
    - iii. Machinery and equipment;

- iv. Job training investments;
- v. Direct business incentives;
- vi. Marketing;
- vii. Administration and legal expenses; and
- viii. Other expenditures.


Section 4. It is hereby declared to be the intention of the City Council that each and every part, section and subsection of this Ordinance shall be separate and severable from each and every other part, section and subsection hereof and that the City Council intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part of this Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect.

Section 5. Sections One, Two and Four of this Ordinance shall be in full force and effect from and after the date of its passage. Section Three of this Ordinance shall be effective only when and if the voters of the City impose the imposition of an economic development sales tax at the election provided for above.


PASSED this 27 day of November, 2023.

  
MAYOR AND EX OFFICIO PRESIDENT  
OF THE CITY COUNCIL OF THE CITY  
OF TRENTON, MISSOURI

ATTEST:

  
CITY CLERK

APPROVED this 27 day of November, 2023.

  
MAYOR OF THE CITY OF TRENTON,  
MISSOURI

ATTEST:

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*Cindy Superior*  
CITY CLERK