



TRANSPORTATION DEVELOPMENT DISTRICTS

Overview

Transportation Development Districts (TDD) are independent political subdivisions organized to levy taxes or assessments to pay for the construction of roads, bridges, interchanges, intersections, parking facilities or other transportation related improvements. TDD's are approved and organized by order of the circuit court. Property owners may petition for the creation of a district as large as several counties or as small as a single parcel of property. As long as the TDD is proposed to construct transportation related improvements, any property is eligible to be included in a TDD.

TDD's may generate revenues through sales taxes (up to 1%), ad valorem taxes on real and personal property (up to ten cents per \$100 assessed valuation), special assessments, or tolls. The TDD is authorized to issue bonds on its own behalf, utilizing these captured taxes and assessments to pay debt service on bonds issued to construct transportation projects. Either the Missouri Department of Transportation (MoDOT) or the City are required to sponsor projects and must agree to accept maintenance responsibilities for completed projects. When the bonds are paid off, the TDD is terminated.

Statutory Requirements

By law, the City must determine that certain requirements have been met before approving the establishment of a TDD. These requirements are set forth under Sections 238.200 – 238.275 of the Revised Statutes for the State of Missouri (RSMo).

Policy Guidelines

The City may pass a resolution endorsing (or opposing) projects prior to the time of the circuit court review of petitions filed to establish the TDD's. Although the City may also provide support through guarantees of debt or design/contracting assistance, the City will only assume this responsibility in circumstances where projects create substantial public benefits by advancing the City's goals.

City Application/Approval Process

Applicants are required to first meet with staff in a pre-qualification conference to determine project eligibility. Once deemed eligible, the property owner(s) may file a petition to the circuit court and the office of the City Clerk. Upon receipt of the petition, the City shall determine whether the request substantially complies with statutory requirements and City policy and will then forward the matter to the Board of Aldermen. The Board of Aldermen then will consider a

resolution of support in favor of the TDD. Once established and approved by the circuit court, the City and the TDD board shall enter into a cooperative agreement for the purpose of establishing the terms of the relationship between the City and the board.