



## NEIGHBORHOOD IMPROVEMENT DISTRICTS

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### **Overview**

A Neighborhood Improvement District (NID) is a type of special purpose district which is formed to finance public improvements, including acquisition, construction, engineering, legal and related costs. General obligation bonds are issued by the municipality and retired through special assessments against property owners in the area in which the improvements are made. The cost of the public improvements assessed against property owners in the district are apportioned in a manner commensurate to the amount of benefit received from such improvements.

The creation of a NID may be established by one of two methods. The first is by a favorable vote of qualified voters living within the boundaries of the proposed district. The second is through a proper petition signed by at least two-thirds of the owners of record of all real property within the proposed district. In both instances, approval by the City's Board of Aldermen is required in order to establish the NID.

### **Statutory Requirements**

By law, the City must determine that certain requirements have been met before approving the establishment of a Neighborhood Improvement District (NID). These requirements are set forth under Sections 67.453 to 67.475 of the Revised Statutes for the State of Missouri (RSMo).

### **Policy Guidelines**

The City of Grandview is prepared to approve petitions for Neighborhood Improvement Districts (NID) to facilitate business activity and economic development within Grandview. Because the municipality issues general obligation bonds backed by the full faith and credit of the City, decisions to approve the establishment of a NID will be determined on a case-by-case basis and approved only where there is a clear demonstration of substantial and significant public benefit. At a minimum, all statutory requirements must be met.

### **City Application/Approval Process**

The applicant is 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 or submit a written request for an election to be held pursuant to RSMo 67.453 - 67.475. The petition or

request for an election should be submitted to the City Clerk. Petitions that comply with the statutory requirements will be forwarded to the Board of Aldermen for consideration. Under certain conditions a cooperative agreement may be required to establish the terms of the relationship between the City and the NID board.

