

ORDINANCE NO. 2295

AN ORDINANCE CREATING CHAPTER XIX OF THE CITY OF BELOIT CITY CODE FOR THE PURPOSE OF ESTABLISHING THE BELOIT LAND BANK, DETERMINING THE MEMBERSHIP, DUTIES AND FUNCTIONS OF THE BOARD OF TRUSTEES OF THE BELOIT LAND BANK, AND SETTING FORTH THE OPERATIONAL REQUIREMENTS OF THE BELOIT LAND BANK.

WHEREAS, the City of Beloit recognizes that dilapidated, vacant, and unused properties can create a dis-incentive for new construction and infill;

WHEREAS, the City of Beloit Comprehensive Plan dated July 2015 identified the need for improvement of the community's aesthetic appearance by addressing dilapidated and vacant properties as an area of focus;

WHEREAS, land banking provides the City a viable tool to address abandoned and tax-delinquent properties; and

WHEREAS, the City desires to establish a Land Bank as a proactive measure to return such properties to productive use.

THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF BELOIT, KANSAS:

SECTION 1. The Beloit City Code is hereby amended, by adding a new Chapter XIX which shall read as follows:

**ARTICLE 1. GENERAL**

**19-101. Land Bank Established.**

The Beloit Land Bank is hereby established pursuant to K.S.A. 12-5901 et seq. The Land Bank is an independent agency and instrumentality of the City with the primary responsibility and authority to acquire, hold, manage and convey surplus City property and other abandoned, tax-foreclosed, or otherwise underutilized or distressed property in order to convert such properties to productive use.

**19-102. Definitions.**

For the purpose of this Chapter the words set out in this section shall have the following meanings:

- (a) *City* means the City of Beloit, Kansas;
- (b) *Board* means the Board of Trustees of the Beloit Land Bank;
- (c) *Bank* and *Land Bank* mean the Beloit Land Bank established pursuant to this Article.
- (d) *Governing Body* means the Governing Body of the City of Beloit.

**ARTICLE 2. BOARD OF TRUSTEES**

**19-201. Land Bank Board of Trustees; Appointment; Terms; Dissolution.**

- (a) There is hereby established a Land Bank Board of Trustees. The Board shall be composed of five (5) members.
  - (1) Two (2) members of the Board of Trustees shall be representatives from the

Beloit City Council, appointed by the Governing Body. Those terms shall run concurrent with their term of office.

- (2) One (1) member of the Board of Trustees shall be a member of Solomon Valley Economic Development, Inc., so long as such member is a resident of the City of Beloit. This member shall be appointed by the Governing Body and shall serve a three (3) year term.
  - (3) Two (2) members of the Board of Trustees shall be "at-large" appointees and shall be residents of the City of Beloit. These members shall be appointed by the Governing Body with one (1) holding office for one (1) year, and one (1) holding office for two (2) years. Then, all subsequent terms, upon expiration of the original appointments, shall be for a three (3) year term.
- (b) Vacancies on the Board of Trustees shall be filled by appointment by the Governing Body for the vacant unexpired term.
  - (c) Primary staff support to the Board will be provided by the City Manager or the Economic Development Director. City staff will provide technical and professional support for Land Bank operations; additional support may be contracted as deemed necessary.
  - (d) The Governing Body may advance operating funds to the bank to pay expenses of the Board and the bank. Members of the Board shall receive no compensation, but shall be paid their actual and necessary expenses in attending meetings and in carrying out their duties as members of the Board.
  - (e) The Bank may be dissolved by ordinance of the Governing Body. In such case, all property of the Bank shall be transferred to and held by the City and may be disposed of as otherwise provided by law.

#### **19-202. Officers; Organization; Open Meetings.**

- (a) The Board shall select, annually, from its membership, a chairperson, a vice-chairperson, a secretary and a treasurer. The treasurer shall be bonded in such amounts as the Governing Body may require. City staff may serve as secretary and treasurer of the Board of Trustees.
- (b) The Board may appoint such officers, agents and employees as it may require for the performance of its duties, and shall determine the qualifications and duties and fix the compensation of such officers, agents and employees.
- (c) The Board shall fix the time and place at which its meetings shall be held. Meetings shall be held within the City and shall be subject to the Kansas Open Meeting Act, K.S.A. 75-4317 et seq., and amendments thereto.
- (d) A majority of the Board shall constitute a quorum for the transaction of business.
- (e) The members of the Board shall be subject to the provisions of the laws of the State of Kansas which relate to conflicts of interest of county officers and employees, including, but not limited to, K.S.A. 75-4301 et seq., and amendments thereto.
- (f) Subject to the provisions of the Kansas Tort Claims Act, K.S.A. 75-6101 et

seq., and amendments thereto, if any action at law or equity, or other legal proceeding, shall be brought against any member of the Board for any act or omission arising out of the performance of duties as a member of the Board, such member shall be indemnified in whole and held harmless by the City for any judgment or decree entered against such member and, further, shall be defended at the cost and expense of the City in any such proceeding.

#### **19-203. Powers of the Land Bank Board.**

The Land Bank Board of Trustees shall have the following powers and duties:

- (a) To sue and be sued;
- (b) To enter into contracts;
- (c) To appoint and remove staff and provide for the compensation thereof;
- (d) To acquire, by purchase, gift or devise, and convey any real property, including easements and reversionary interests, and personal property, subject to the provisions of this Chapter and state law;
- (e) To rebate all, or any portion thereof, the taxes on any property sold or conveyed by the Bank;
- (f) To exercise any other power which may be delegated to the Bank by the Governing Body; and
- (g) To exercise any other incidental power which is necessary to carry out the purposes of the Land Bank and state law.

#### **ARTICLE 3. OPERATIONAL REQUIREMENTS.**

##### **19-301. Administration of Property.**

The Board shall assume possession and control of any property acquired by it under this Article or state law and shall hold and administer such property. In the administration of property, the Board shall:

- (a) Manage, maintain and protect or temporarily use for a public purpose such property in the manner the Board deems appropriate;
- (b) Compile and maintain a written inventory of all such property. The inventory shall be available for public inspection and distribution at all times;
- (c) Study, analyze and evaluate potential, present and future uses for such property which would provide for the effective reutilization of such property;
- (d) Plan for and use the Board's best efforts to consummate the sale or other disposition of such property at such times and upon such terms and conditions deemed appropriate;
- (e) Establish and maintain records and accounts reflecting all transactions,

expenditures and revenues in relation to the Bank's activities, including separate itemizations of all transactions, expenditures and revenues concerning each individual parcel of property acquired; and

- (f) Thirty (30) days prior to the sale of any property owned by the Bank, publish a notice in the official City newspaper announcing such sale.

#### **19-302. Transfer of Property.**

- (a) Any property acquired by the City, Mitchell County or any other city or taxing subdivision within Mitchell County may be transferred to the Bank. The Board may accept or refuse to accept any property authorized to be transferred pursuant to this Article or state law. The transfer of any property pursuant to this Article shall not be subject to any bidding requirements and shall be exempt from any provisions of law requiring a public sale.
- (b) The fee simple title to any real estate which is sold to Mitchell County in accordance with the provisions of K.S.A. 79-2803 and 79-2804, and amendments thereto, upon acceptance by the Board, may be transferred to the Bank by a good and sufficient deed by the Mitchell County Clerk upon a written order from the Mitchell County Board of County Commissioners.

#### **19-303. Budget; Records; Report.**

The Bank shall be subject to the following requirements:

- (a) The Bank shall be subject to the provisions of the Cash Basis Law, K.S.A. 10-1101 et seq., and amendments thereto.
- (b) The budget of the Bank shall be prepared, adopted and published as provided by law for other political subdivisions of the State of Kansas. No budget shall be adopted by the Board until it has been submitted to, reviewed and approved by the Governing Body. If the Governing Body elects not to ratify the budget, it must reject the plan in its entirety and remand it back to the Board with specific recommendations for reconsideration.
- (c) The Board shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Board shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become part of the annual report of the Board.
- (d) All records and accounts shall be subject to public inspection pursuant to K.S.A. 45- 216 et seq., and amendments thereto.
- (e) Any moneys of the Bank which are not immediately required for the purposes of the Bank shall be invested in the manner prescribed by K.S.A. 12-1675, and amendments thereto.
- (f) The Bank shall make an annual report to the Governing Body on or before January 31 of each year, showing receipts and disbursements from all funds under its control and showing all property transactions occurring in each year. Such report shall include an inventory of all property held by the Bank. A copy of such inventory shall also be published in the official City newspaper on or before January 31 of each year.

- (g) The Bank shall be subject to the statutory requirements for the deposit of public money as provided in K.S.A. 9-1401 et seq., and amendments thereto.

#### **19-304. Sale of Property.**

- (a) The Board, without competitive bidding, may sell any property acquired by the Board at such times, to such persons, and upon such terms and conditions, and subject to such restrictions and covenants deemed necessary or appropriate to assure the property's effective reutilization.
- (b) The sale of any real property by the Board, under the provisions of this Article or state law, on which there are delinquent special assessments to finance public improvements, shall be conditioned upon the approval of the Governing Body.
- (c) The Board, for the purpose of land disposition, may consolidate, assemble or subdivide individual parcels of property acquired by the Bank.

#### **19-305. Exemption of Property from Taxation.**

- (a) Until sold or otherwise disposed of by the Bank, and except for special assessments levied by the City to finance public improvements, any property acquired by the Bank shall be exempt from the payment of ad valorem taxes levied by the State of Kansas and any other political or taxing subdivision of the state.
- (b) Except for special assessments levied by the City to finance public improvements, when the Board acquires property pursuant to this Article, the Mitchell County Treasurer shall remove from the tax rolls all taxes, assessments, charges, penalties and interest that are due and payable on the property at the time of acquisition by the Board.
- (c) Property held by the Bank shall remain liable for special assessments levied by the City for public improvements, but no payment thereof shall be required until such property is sold or otherwise conveyed by the Bank.
- (d) The Governing Body may abate part or all of any special assessments which it has levied on property acquired by the Bank, and the Bank and the City may enter into agreements related thereto. Any special assessments that are abated shall be removed from the tax rolls by the County Treasurer as of the effective date of the abatement.
- (e) The Governing Body and bank may enter into an agreement with the bank to defer or reamortize part or all of the special assessments which have been levied by the City. The Governing Body shall provide for such deferral or reamortization by passage of an ordinance. Any special assessments that are deferred or reamortized shall be correct on the tax rolls by the Mitchell County Treasurer as of the effective date of the ordinance.

#### **19-306. Use of Money Received from Sale of Property**

- (a) Any moneys derived from the sale of property by the Bank shall be retained by the Bank for the purposes and operations thereof.

- (b) The Board may use all or part of the proceeds from such sale to reimburse the City for delinquent special assessments due on such property.

**19-307. Advisory Committees.**

The Board may, but is not required to, establish separate neighborhood or city advisory committees consisting of persons living or owning property within the county, city or neighborhood. In the case of neighborhood advisory committees, the Board shall determine the boundaries of each neighborhood. In the absence of a resolution by the Board providing otherwise, each advisory committee shall consist of not less than five nor more than nine persons, to be appointed by the Board for two-year overlapping terms. The Board shall consult with each advisory committee as needed to review the operations and activities of the Bank and to receive the advice of the members of the advisory committee concerning any matter which comes before the committees.

**SECTION 2:** This ordinance shall take effect and be in full force from and after its adoption in the official city newspaper.

PASSED and ADOPTED by the Governing Body and signed by the Mayor this 1<sup>st</sup> day of September, 2021.

  
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Tom Naasz, Mayor

Attest:

  
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Amanda Lomax, City Clerk