

HOUSE BILL No. 2155

AN ACT concerning land banks; relating to the establishment of land banks by cities.

Be it enacted by the Legislature of the State of Kansas:

Section 1. As used in this act:

- (a) "City" means any city.
- (b) "Board" means the board of trustees of the city land bank.
- (c) "Bank" means the city land bank established pursuant to this act.
- (d) "Governing body" means the governing body of the city.
- (e) "Municipality" means any city, county or other political or taxing subdivision which has the power to levy special assessments.

Sec. 2. (a) The governing body may establish a city land bank by adoption of an ordinance.

(b) The bank shall be governed by a board of trustees. The governing body may appoint the board. City governing body members may serve on or as the board of trustees. Vacancies on the board shall be filled by appointment for the unexpired term.

(c) The governing body may advance operating funds to the bank to pay expenses of the board of trustees and the bank. Members of the board of trustees 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.

(d) 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.

Sec. 3. (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. No budget shall be adopted by the board until it has been submitted to, reviewed and approved by the governing body.

(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 provided 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 also shall be published in the official city newspaper on or before January 31 of each year.

(g) The bank shall be subject to the provisions of K.S.A. 9-1401 et seq., and amendments thereto.

Sec. 4. (a) The board shall select annually, from its membership, a chairperson, a vice-chairperson and a treasurer. The treasurer shall be bonded in such amounts as the governing body may require.

(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 provision of 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. No action of the board shall be binding unless taken at a meeting at which at least a quorum is present.

(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 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 board for any judgment or decree entered against such member and, further, shall be defended at the cost and expense of the bank in any such proceeding.

Sec. 5. The board may:

- (a) Sue and be sued;
- (b) enter into contracts;
- (c) appoint and remove staff and provide for the compensation thereof;
- (d) 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 act;
- (e) rebate all, or any portion thereof, the taxes on any property sold or conveyed by the bank;
- (f) exercise any other power which may be delegated to the land bank by the governing body; and
- (g) exercise any other incidental power which is necessary to carry out the purposes of the land bank and this act.

Sec. 6. (a) Any property acquired by the city, the county, another city or other taxing subdivision within the county may be transferred to the bank. The board may accept or refuse to accept any property authorized to be transferred pursuant to this subsection. The transfer of any property pursuant to this subsection shall not be subject to any bidding requirement and shall be exempt from any provision of law requiring a public sale.

(b) The fee simple title to any real estate which is sold to the county in accordance with the provisions of K.S.A. 79-2803 and 79-2804, and amendments thereto, and upon acceptance by the board of trustees may be transferred to the bank by a good and sufficient deed by the county clerk upon a written order from the board of county commissioners.

Sec. 7. The board shall assume possession and control of any property acquired by it under this act 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 relating to the bank's activities, including separate itemizations of all transactions, expenditures and revenues concerning each individual parcel of property acquired; and
- (f) thirty days prior to the sale of any property owned by the bank, publish a notice in the official city newspaper announcing such sale.

Sec. 8. (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. The sale of any real property by the board under the provisions of this act on which there are delinquent special assessments to finance public improvements shall be conditioned upon the approval of the governing body of the municipality which levied the special assessments.

(b) The board, for purposes of land disposition, may consolidate, assemble or subdivide individual parcels of property acquired by the bank.

Sec. 9. (a) Until sold or otherwise disposed of by the bank and except for special assessments levied by a municipality to finance public improvements, any property acquired by the bank shall be exempt from the payment of ad valorem taxes levied by the state and any other political or taxing subdivision of the state.

(b) Except for special assessments levied by a municipality to finance

public improvements, when the board acquires property pursuant to this act, the 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 a municipality to finance public improvements, but no payment thereof shall be required until such property is sold or otherwise conveyed by the bank.

(d) The governing body of any municipality which has levied special assessments on property acquired by the bank may abate part or all of the special assessments, and the bank and governing body 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.

Sec. 10. (a) Except as provided in paragraph (b), 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 any part of the proceeds from the sale described in paragraph (a) to reimburse any municipality for delinquent special assessments due on such property.

Sec. 11. The board may 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.

Sec. 12. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the HOUSE, and passed that body

HOUSE concurred in
SENATE amendments _____

Speaker of the House.

Chief Clerk of the House.

Passed the SENATE
as amended _____

President of the Senate.

Secretary of the Senate.

APPROVED _____

Governor.