ORDINANCE NO. 5058-21

AN ORDINANCE ESTABLISHING THE CITY OF NEWTON LAND BANK.

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

SECTION 1. Definitions. As used in this Ordinance:

a. "City" means the City of Newton.

b. "Board" means the Board of Trustees of the City of Newton Land Bank.

c. "Bank" means the City of Newton Land Bank established pursuant to this Ordinance.

d. "Governing Body" means the Newton City Commission.

e. "Municipality" means any city, county, or other political or taxing subdivision which has the power to levy special assessments.

SECTION 2. Authority and Governance.

a. The Governing Body of the City hereby establishes the City of Newton Land Bank.

b. The Bank shall be governed by a Board of Trustees. The Governing Body shall appoint the Board of Trustees.

c. The Governing Body may advance operating funds to the Bank to pay expenses of the Board and the Bank.

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.

SECTION 3. Governing Law.

a. The Bank shall be subject to the provisions of the Kansas 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. For any year in which the Bank has transactions, the receipts and disbursements of the Board shall be audited during the following year 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 the Kansas Open Records Act (KORA), 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. For any year in which the Bank has transactions, it shall make an annual report to the Government Body on or before January 31 of the following year, showing receipts and disbursements from all funds under its control and showing all property transactions occurring in such 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 in any year in which the Bank has any assets.

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

SECTION 4. Appointment of Officers and Conduct of Meetings.

a. The Board shall select 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 provisions of the

Kansas Open Meetings Act (KOMA), 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, including, but not limited to, K.S.A. 75-4301 *et seq*., and amendments thereto.

f. Subject to the provision of K.S.A 75-6101 *et seq*., and amendments thereto, if any action at law of equity, or other legal proceeding, shall be brought against any member of the Board for any act of 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 judgement or decree entered against such member and, further, shall be defended at the cost and expense of the Bank in any such proceeding.

g. The members of the Board shall serve without compensation.

SECTION 5. Powers of the Board. The Board may:

a. Sue and be sued;

b. Enter into contracts;

c. Authorize the City Manager to 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 Ordinance;

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 Bank by the Governing Body; and

g. Exercise any other incidental power which is necessary to carry out the purposes of the Bank and this Ordinance.

SECTION 6. Transfer of Property to the Land Bank.

a. Except as otherwise provided in this Ordinance, 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 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.

SECTION 7. Administration of Land Bank Property. The Board shall assume possession and control of any property acquired by it under this Ordinance 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 record 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 (30) prior to the sale of any property owned by the Bank, publish a notice in the official City newspaper announcing such sale.

SECTION 8. Disposition of Land Bank 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. The sale of any real property by the Board under the provisions of this Ordinance on which there are delinquent special assessments to finance public improvements levied by the Governing Body shall be conditioned upon the approval of the Governing Body.

b. The Board, for purposes of land disposition, may consolidate, assemble, or subdivide individual parcels of property acquired by the Bank.

SECTION 9. Taxes and Assessments.

a. Until sold or otherwise disposed of by the Bank and except for special assessments levied by the Governing Body 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 the Governing Body to finance public improvements, when the Bank acquires property pursuant to this Ordinance, 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 may abate part or all of the special assessments it has levied, 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.

SECTION 10. Use of Proceeds from the Sale of Land Bank Property.

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 the City bond and interest fund for delinquent special

assessments due on such property.

SECTION 11. This Ordinance shall take effect and be in force from and after its publication in THE NEWTON KANSAN, the official newspaper of said City.

PASSED AND ADOPTED this 12th day of October 2021.

Richard E. Stinnett, Mayor

ATTEST:

Denise R. Duerksen, City Clerk