

**AN ORDINANCE CREATING THE LEOTI LAND BANK AND PROVIDING FOR ITS ADMINISTRATION.**

**WHEREAS**, Kansas Statute 12-5901 et. seq. provides that cities may establish a city land Bank by ordinance and provide for its administration thereof.

**WHEREAS**, a city land Bank would be a valuable tool for improving the vacant and dilapidated properties in Leoti possibly leading to much needed housing and economic development.

**1. BE IT ORDAINED** by the Governing Body of the City of Leoti, Kansas:

**I. Land Bank established.**

*The City of Leoti, Kansas (City) pursuant to K.S.A. 12-5901 et. seq. does hereby establish the Leoti Land Bank (Bank). The purpose of the land Bank is to return tax delinquent property to productive and beneficial property; thus, eliminating blight and enhancing neighborhood stability within the city limits of Leoti, Kansas. The Bank may be dissolved by ordinance passed by a majority of the Governing Body of the City of Leoti, Kansas (Governing Body).*

**II. Board of Trustees.**

*The administration and business of the land Bank shall be supervised by a Board of Trustees.*

*The Board of Trustees (Board) shall consist of five members appointed by the Mayor. All members must be qualified electors of the City of Leoti or County of Wichita, Kansas. At the start of the Board, Members will be appointed to terms of one year (position #1), two years (positions #2 and #3) and three years (positions #4 and #5). After the first renewal, members will serve three-year terms so that terms will be staggered.*

*The Board shall govern under the following procedures:*

- a. The Board shall select annually, from its membership, a chairperson, a vice-chairperson, secretary and a treasurer. The treasurer shall be bonded in such amounts as the governing body may require.*
- b. 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 the Kansas Open Meetings Act.*
- c. 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.*
- d. 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.*

- e. *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.*
- f. *The Board of Trustees may not receive compensation but may be paid their necessary expenses.*

### **III. Administration.**

*The Board chairperson or person designated by such shall be the official administrator of the Leoti Lank Bank.*

### **IV. Powers and Duties.**

*The Bank through its Board of Trustees shall have the following duties and powers:*

- a. *Sue and be sued.*
- b. *Enter 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 Code and state law.*
- 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.*
- g. *Exercise any incidental power which is necessary to carry out the purposes of the Bank, this Code and State law.*
- h. *The Bank shall be subject to the provisions of the cash-basis law, K.S.A. 10-1101 et seq., and amendments thereto.*
- i. *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.*
- j. *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.*
- k. *All records and accounts shall be subject to public inspection pursuant to the Kansas Open Records Act and amendments thereto.*
- l. *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.*

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

**V. Same; Acquisition of Property.**

- a. *Any property acquired by the City of Leoti, Wichita County, or any 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 Wichita 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.*

**VI. Same; Administration of Property.**

*The Board shall assume possession and control of any property acquired by it under this act and shall hold and administer such property by:*

- 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 always available for public inspection and distribution.*
- 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.*
- 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.*

**VII. Same; 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. 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.

#### **VIII. Taxation of Properties Held by Land Bank.**

The following shall apply to the taxation of the properties held by the land Bank with certain exceptions set forth herein:

- 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 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.
- e. The governing body of any municipality which has levied special assessments on property acquired by the Bank may enter into an agreement with the Bank to defer or re-amortize part or all the special assessments. The governing body of the municipality shall provide for such deferral or re-amortization by passage of an ordinance, if a city, and by passage of a resolution by any other municipality. Any special assessments that are deferred or re-amortized shall be corrected on the tax rolls by the county treasurer as of the effective date of the ordinance or resolution providing for such deferral or re-amortization.

#### **IX. Sale proceeds.**


The Board shall be allowed to use the sales proceeds from the sales of said property for the following purposes:

- 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.

2. This Ordinance shall take effect and be in full force from and after its publication in the official City newspaper.
3. The provisions herein will be added to the City Code for the City of Leoti, KS with numbering imposed to be consistent with code thereon.

ADOPTED this 21<sup>st</sup> day of November, 2022, by the City Council of the City of Leoti, Wichita County, Kansas.

  
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Charlie Hughes, Mayor

ATTEST:  
  
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Jeannine Hassell, City Clerk

