



January 30, 2018

HOUSE BILL No. 1256

DIGEST OF HB 1256 (Updated January 30, 2018 10:51 am - DI 84)

Citations Affected: IC 36-7.

Synopsis: Various local government matters. Makes changes to certain statutes concerning redevelopment commissions.

Effective: July 1, 2018.

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January 11, 2018, read first time and referred to Committee on Government and Regulatory Reform.
January 30, 2018, reported — Do Pass.

HB 1256—LS 7121/DI 129



January 30, 2018

Second Regular Session of the 120th General Assembly (2018)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2017 Regular Session of the General Assembly.

HOUSE BILL No. 1256

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 36-7-14-19, AS AMENDED BY P.L.52-2017,
2 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2018]: Sec. 19. (a) If no appeal is taken or if an appeal is
4 taken but is unsuccessful, the redevelopment commission shall proceed
5 with the proposed project to the extent that money is available for that
6 purpose.
7 (b) The redevelopment commission shall first approve and adopt a
8 list of the real property and interests in real property to be acquired and
9 the price to be offered to the owner of each parcel of interest. For
10 properties and interests in real property that:
11 (1) are not for sale at auction; or
12 (2) have a total purchase price (including land and structures, if
13 any) of at least twenty-five thousand dollars (\$25,000);
14 the prices to be offered may not exceed the average of two (2)
15 independent appraisals of fair market value procured by the
16 commission except that appraisals are not required in transactions with
17 other governmental agencies. The prices indicated on the list may not

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1 be exceeded unless specifically authorized by the commission or
 2 ordered by a court in condemnation proceedings. The commission may
 3 except from acquisition any real property in the area if the commission
 4 finds that such an acquisition is not necessary under the redevelopment
 5 plan. Appraisals made under this section are for the information of the
 6 commission and are not open for public inspection.

7 (c) Negotiations for the purchase of property may be carried on
 8 directly by the redevelopment commission, by its employees, or by
 9 expert negotiations, but no option, contract, or understanding relative
 10 to the purchase of real property is binding on the commission until
 11 approved and accepted by the commission in writing. The commission
 12 may authorize the payment of a nominal fee to bind an option and as a
 13 part of the consideration for conveyance may agree to pay the expense
 14 incident to the conveyance and determination of the title of the
 15 property. Payment for the property purchased shall be made when and
 16 as directed by the commission but only on delivery of proper
 17 instruments conveying the title or interest of the owner to the "City (or
 18 Town or County) of _____, ~~for the use and benefit of its~~
 19 ~~department of redevelopment~~". **Department of Redevelopment**".
 20 Notwithstanding the other provisions of this subsection, any agreement
 21 by the commission to:

- 22 (1) make payments for the property to be purchased for a term
 23 exceeding three (3) years; or
 24 (2) pay a purchase price for the property that exceeds five million
 25 dollars (\$5,000,000);

26 is subject to the prior approval of the legislative body of the unit.

27 (d) All real property and interests in real property acquired by the
 28 redevelopment commission are free and clear of all governmental liens,
 29 assessments, and other governmental charges except for current
 30 property taxes, which shall be prorated to the date of acquisition.

31 (e) Notwithstanding subsections (a) through (d), the redevelopment
 32 commission may, before the time referred to in this section, accept gifts
 33 of property needed for the redevelopment of redevelopment project
 34 areas if the property is free and clear of all governmental liens other
 35 than taxes, assessments, and other governmental charges. The
 36 commission may, before the time referred to in this section, take
 37 options on or contract for the acquisition of property needed for the
 38 redevelopment of redevelopment project areas if the options and
 39 contracts are not binding on the commission or the district until the
 40 time referred to in this section and until money is available to pay the
 41 consideration set out in the options or contracts.

42 SECTION 2. IC 36-7-14-19.5, AS ADDED BY P.L.52-2017,

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1 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2018]: Sec. 19.5. (a) Notwithstanding section 19 of this
3 chapter, a redevelopment commission may purchase property in
4 accordance with this section that the redevelopment commission
5 determines is:

- 6 (1) blighted;
- 7 (2) unsafe;
- 8 (3) abandoned;
- 9 (4) foreclosed; or
- 10 (5) structurally damaged;

11 from a willing seller.

12 (b) A redevelopment commission may purchase property described
13 in subsection (a) as follows:

- 14 (1) The redevelopment commission may purchase the property if:
15 (A) the sale price of the property is not more than twenty-five
16 thousand dollars (\$25,000) or the property is for sale by
17 another governmental agency; and
18 (B) the redevelopment commission:
19 (i) has a sufficient fund balance available; or
20 (ii) issues an obligation from public funds;

21 for the purchase of the property.

- 22 (2) If the sale price of the property is greater than twenty-five
23 thousand dollars (\$25,000), a redevelopment commission shall
24 obtain two (2) independent appraisals of fair market value of the
25 property. Any agreement by the redevelopment commission to:

- 26 (A) make a purchase under this subdivision that exceeds the
27 greater of the two (2) appraisals;
- 28 (B) make payments for the property to be purchased for a term
29 exceeding three (3) years; or
- 30 (C) pay a purchase price for the property that exceeds five
31 million dollars (\$5,000,000);

32 is subject to prior approval of the legislative body of the unit.

33 (c) Negotiations for the purchase of property may be carried on
34 directly by the redevelopment commission, by its employees, or by
35 expert negotiations, but no option, contract, or understanding relative
36 to the purchase of real property is binding on the commission until
37 approved and accepted by the commission in writing. The commission
38 may authorize the payment of a nominal fee to bind an option and as a
39 part of the consideration for conveyance may agree to pay the expense
40 incident to the conveyance and determination of the title to the
41 property. Payment for the property purchase shall be made when and
42 as directed by the commission but only on delivery of proper



1 instruments conveying the title or interest of the owner to the "City (or
2 Town or County) of _____, for the use and benefit of its
3 department of redevelopment". **Department of Redevelopment".**
4 (d) All real property and interests in real property acquired by the
5 redevelopment commission are free and clear of all governmental liens,
6 assessments, and other governmental charges except for current
7 property taxes, which must be prorated to the date of acquisition.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1256, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1256 as introduced.)

MAHAN

Committee Vote: Yeas 10, Nays 0

