

TITLE

AN ORDINANCE TO AMEND TITLE 13, TITLED "PROPERTY MAINTENANCE REGULATIONS," OF THE CODE OF ORDINANCES, CITY OF OAK RIDGE, TENNESSEE," BY CREATING A NEW CHAPTER 6, TITLED "OAK RIDGE LAND BANK CORPORATION," TO CREATE A LAND BANK CORPORATION IN ACCORDANCE WITH TENNESSEE CODE ANNOTATED §13-30-101 ET SEQ.

WHEREAS, by Resolution 11-109-11, City Council approved the *Not in Our City* conceptual plan which included establishment of a land bank program to reclaim unused, vacant, and/or undesirable land for potential housing opportunities or public use; and

WHEREAS, Tennessee Code Annotated §13-30-101 et seq. establishes the Tennessee Local Land Bank Pilot Program authorizing municipalities and counties meeting certain requirements to establish a pilot program creating a corporation with authority to operate a land bank for real property; and

WHEREAS, the City of Oak Ridge, Tennessee, meets the requirements set forth by Tennessee Code Annotated §13-30-104 to establish a pilot program; and

WHEREAS, the City desires to establish a pilot program by creating a land bank corporation to provide a tool to support economic revitalization through returning vacant, abandoned and tax-delinquent properties to productive use; and

WHEREAS, City Council hereby indicates its willingness to appropriate sufficient funds to provide for the initial administration of the corporation in accordance with Tennessee Code Annotated §13-30-104(b)(2).

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

Section 1. Title 13, titled "Property Maintenance Regulations," of the Code of Ordinances, City of Oak Ridge, Tennessee, is hereby amended by creating a new Chapter 6, titled "Oak Ridge Land Bank Corporation," which new chapter shall read as follows:

CHAPTER 6

OAK RIDGE LAND BANK CORPORATION

Sec. 13-601. Legislative Authority.

The City meets all requirements of, and is therefore authorized by, Tennessee Code Annotated §13-30-104(a)(1) to establish a pilot program by creating a land bank corporation in accordance with the provisions of the Tennessee Local Land Bank Pilot Program (Tennessee Code Annotated §13-30-101 et seq.).

Sec. 13-602. Findings.

City Council finds and declares as follows:

- (a) There is a need to strengthen and revitalize the economy by solving the problems of vacant, abandoned, and tax-delinquent real property and to foster the development of such property and promote economic growth.
- (b) Disinvestment in real property results in a significant amount of vacant and abandoned real property which represents lost revenue to the City and high costs associated with demolition, as well as spreading neighborhood deterioration.

- (c) A land bank can be an effective tool to facilitate the return of vacant, abandoned and tax-delinquent real properties to productive use, thereby supporting economic revitalization.
- (d) There is a need for a land bank to function within the jurisdictional boundaries of the City of Oak Ridge.

Sec. 13-603. Creation.

The Oak Ridge Land Bank Corporation is hereby created pursuant to the authority of the Tennessee Local Land Bank Pilot Program set forth in Tennessee Code Annotated §13-30-101 et seq. By such statute, the Oak Ridge Land Bank Corporation has authority to create a land bank for real property located within the boundaries of Oak Ridge. For purposes of this chapter, "land bank" means real property, however obtained or acquired and held by the Oak Ridge Land Bank Corporation, with the intent of acquiring and holding on the real property so acquired until such time as the corporation is able to find a willing and able buyer to acquire the real property from the corporation. [Tennessee Code Annotated §13-30-101 et seq., Tennessee Code Annotated §13-30-107]

Sec. 13-604. Board of Directors.

- (a) Number and Qualifications of Directors. The Oak Ridge Land Bank Corporation's Board of Directors shall consist of seven (7) directors, one of which shall be a member of City Council. All directors shall be electors and taxpayers in the City of Oak Ridge. Preference may be given for persons in the following fields: banking, real estate, and legal. [Tennessee Code Annotated §13-30-105]
- (b) Appointment of Directors. Directors shall be appointed by City Council using the election process for boards and commissions.
- (c) Terms of Directors. The City Council member shall serve until expiration of his or her current term of office on City Council. Of the remaining directors first appointed, three (3) directors shall serve through December 31, 2014, and three (3) directors shall serve through December 31, 2015, and thereafter the term of office shall be two (2) years commencing on January 1. In case of resignation, death, or removal from office, another appointment will be made to finish out the unexpired term of office. Directors shall continue to serve beyond the end of the director's term until the director's successor has been appointed. [Tennessee Code Annotated §13-30-105]

Sec. 13-605. Meetings, Quorum, Majority Vote, Officers, Rules and Regulations, Removal, Compensation, Organization, Minutes, Report, Audit.

- (a) Meetings. The board shall meet in regular session according to a schedule adopted by the board, and shall also meet in special session as convened by the chairman or upon written notice signed by a majority of the members. [Tennessee Code Annotated §13-30-106]
- (b) Quorum. The presence of a majority of the total board membership constitutes a quorum for the transaction of any business. [Tennessee Code Annotated §13-30-106]
- (c) Majority Vote. Unless a greater number or percentage is required by State law, the affirmative vote of a simple majority of the directors present and voting at any meeting at which a quorum is present shall be the action of the corporation. However, no action of the board shall be authorized on the following matters unless approved by a majority of the total board membership:

- (1) Adoption of bylaws and other rules and regulations for conduct of the business of the corporation;
- (2) Hiring or firing of any employee or contractor of the corporation; however, this function may be delegated by majority vote of the total board membership to a specified officer or committee of the corporation under such terms and conditions and to the extent specified by the board;
- (3) The incurring of debt;
- (4) Adoption or amendment of the annual budget; and
- (5) Sale, lease, encumbrance, or alienation of real property, improvements, or personal property with a value of more than fifty thousand dollars (\$50,000.00).

Vote by proxy is not permitted. [Tennessee Code Annotated §13-30-106]

- (d) Officers, Duties. At the first meeting each year, the board of directors shall select from among themselves a chairman, a vice chairman, a treasurer, and such other officers as the board may determine, and shall establish their duties as may be regulated by rules adopted by the board. [Tennessee Code Annotated §13-30-106]
- (e) Rules and Regulations, Removal of Member by Board. The board of directors shall establish rules and regulations relative to the attendance and participation of members in its meetings, regular or special. No rules or bylaws may contravene state law. Such rules and regulations may prescribe a procedure whereby, should any member fail to comply with such rules and regulations, such member may be disqualified and removed automatically from office by no less than a majority vote of the remaining members of the board, and that member's position shall be vacant as of the first day of the next calendar month. Any person removed under the provisions of this subsection shall be ineligible for reappointment to the board, unless such reappointment is confirmed unanimously by the board. [Tennessee Code Annotated §13-30-106, Tennessee Code Annotated §13-30-107]
- (f) Removal of Member by City Council. Any citizen or group of citizens upon collection of a petition having a clearly worded purpose, of at least twenty (20) verified signatures of qualified, registered Oak Ridge voters may present to City Council a resolution calling for the removal of any board member. City Council shall have the power, upon timely and due consideration of the citizen petition and a response from the board, to remove or retain the cited board member by simple majority vote. Removal from the board of directors of any public official shall not, in and of itself, impair the public official in his or her other duties. [Tennessee Code Annotated §13-30-106]
- (g) Compensation. Board members serve without compensation. [Tennessee Code Annotated §13-30-106]
- (h) Organization. Board members have the power to organize and reorganize the executive, administrative, clerical, and other departments of the corporation and to fix the duties, powers, and compensation of all employees, agents, and consultants of the corporation. The board may reimburse any member for expenses actually incurred in the performance of duties on behalf of the corporation. [Tennessee Code Annotated §13-30-106]
- (i) Minutes. The board of directors shall cause minutes and a record to be kept of all its proceedings and such records shall be available for timely public inspection. [Tennessee Code Annotated §13-30-112, Tennessee Code Annotated §13-30-107]

- (j) Open Meetings. All meeting shall be open to the public with appropriate notice published in accordance with Tennessee Code Annotated §13-30-107(d). [Tennessee Code Annotated §13-30-112]
- (k) Annual Report. An annual report shall be filed with City Council, containing a detailed financial accounting of the corporation's debt obligations, income (sources and amounts), properties, dispositions, expenditures, acquisitions, contracts (executed and pending within the next ninety (90) days), significant activities, and other data as required by the organizational bylaws and governance documents. This annual report shall be maintained on file for audit purposes and immediately available to the Department of Audit in the Office of the Comptroller of the Treasury upon request. Additionally, all such reports shall be available for public inspection. [Tennessee Code Annotated §13-30-112]
- (l) Annual Audit. An annual audit shall be made of the books and records of the corporation. A copy of the audit shall be filed annually with City Council. [Tennessee Code Annotated §13-30-112(c) and (e)]

Sec. 13-606. Powers.

The Oak Ridge Land Bank Corporation has all powers as set forth in the Tennessee Local Land Bank Pilot Program except as limited by this chapter. [Tennessee Code Annotated §13-30-101 et seq.]

Sec. 13-607. Taxation.

By Tennessee Code Annotated §13-30-104 the Oak Ridge Land Bank Corporation is performing a public function on behalf of the City and is a public instrumentality of the City. Accordingly, the Oak Ridge Land Bank Corporation and all properties of the corporation, including all properties held in the name of the corporation in the land bank, at any and all times owned by it, and the income and revenues from the properties are exempt from all taxation in the State of Tennessee.

Sec. 13-608. Real Property, Inventory List.

The Oak Ridge Land Bank Corporation shall hold in its own name all real property acquired by the corporation for the land bank irrespective of the identity of the transferor of such property. The Oak Ridge Land Bank Corporation shall comply with the provisions of Tennessee Code Annotated §13-30-111 which includes, but is not limited to, maintenance of an inventory for all real property held by the corporation, and establishment of terms and conditions for consideration to be received by the corporation for property transfers.

Sec. 13-609. Conveyance of Property.

The Oak Ridge Land Bank Corporation may convey, exchange, sell, transfer, lease as lessee, grant, release and demise, pledge and hypothecate any and all interests in, upon or to real property of the land bank. All land bank properties shall be sold or leased at fair market value. [Tennessee Code Annotated §13-30-111(d)]

Sec. 13-610. Priorities for the Use of Real Property in the Land Bank.

City Council is authorized by Tennessee Code Annotated §13-30-111(e) to establish a hierarchical ranking of priorities for the use of real property conveyed to the Oak Ridge Land Bank Corporation as part of the land bank. City Council may establish such priorities by resolution.

Sec. 13-611. Appeal Procedure.

City Council hereby establishes the following appeal procedure for any person aggrieved by the decision of the Oak Ridge Land Bank Corporation with respect to real property proposed for acquisition or acquired by, held, and disposed of by the Oak Ridge Land Bank Corporation.

The Board of Building and Housing Code Appeals shall act as the appeals committee required by Tennessee Code Annotated §13-30-118 and all procedures set forth therein shall be followed for these appeals.

Sec. 13-612. Dissolution.

The Oak Ridge Land Bank Corporation may be dissolved in accordance with general law for the dissolution of a public corporation absent any establishment by City Council for dissolution of the corporation. [Tennessee Code Annotated §13-30-113]

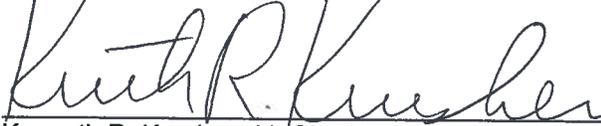
Section 2. In accordance with Tennessee Code Annotated §13-30-104(b)(1), the Mayor and/or the City Manager hereby are authorized to and shall certify to the Tennessee Secretary of State evidence of authorization for the City of Oak Ridge, Tennessee, to establish the pilot program and create the corporation.

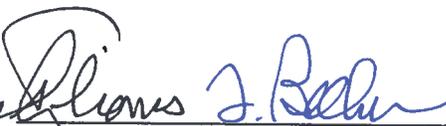
Section 3. In accordance with Tennessee Code Annotated §13-30-104(b)(2), City Council hereby indicates its willingness to appropriate sufficient funds to provide for the initial administration of the corporation.

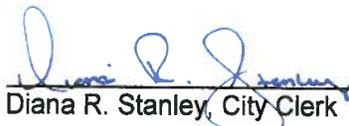
Section 4. The following properties owned by the City of Oak Ridge shall automatically be transferred to the Oak Ridge Land Bank Corporation by Quit Claim Deed without further City Council action: 214 Waltham Place, 121 Goucher Circle, 112-114 Wade Lane, 608 W. Outer Drive, 175 Outer Drive, 110-112 Walnut Lane, 114-116 Lawton Road, 212-214 N. Illinois Avenue, 134 Houston Avenue, 133 Johnson Road, 101 Decatur Road, and 116 Jarrett Lane.

Section 5. This ordinance shall become effective ten (10) days after adoption on second reading, the welfare of the City of Oak Ridge requiring it.

APPROVED AS TO FORM AND LEGALITY:


Kenneth R. Krushenski, City Attorney


Thomas L. Beehan, Mayor


Diana R. Stanley, City Clerk

First Reading: 08/12/2013
Publication Date: 08/19/2013
Second Reading: 09/09/2013
Publication Date: 09/16/2013
Effective Date: 09/19/2013