

SENATE MOTION

MR. PRESIDENT:

I move that Engrossed House Bill 1155 be amended to read as follows:

- 1 Page 3, between lines 20 and 21, begin a new paragraph and
- 2 insert:
- 3 "SECTION 3. IC 36-7-15.1-15.1 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE JUNE 30, 1999]: Sec. 15.1. (a) As used in
- 5 this section, "qualifying corporation" refers to a nonprofit corporation
- 6 or neighborhood development corporation that meets the requirements
- 7 of subsection (b)(1) and the criteria established by the county fiscal
- 8 body under subsection (i).
- 9 (b) The commission may sell or grant at no cost title to real
- 10 property to a nonprofit corporation or neighborhood development
- 11 corporation for the purpose of providing low or moderate income
- 12 housing or other development that will benefit or serve low or
- 13 moderate income families if the following requirements are met:
- 14 (1) The nonprofit corporation or neighborhood development
- 15 corporation has, as a major corporate purpose and function, the
- 16 provision of housing for low and moderate income families
- 17 within the geographic area in which the parcel of property is
- 18 located.
- 19 (2) The qualifying corporation agrees to cause development that
- 20 will serve or benefit low or moderate income families on the
- 21 parcel of property within a specified period, which may not
- 22 exceed five (5) years from the date of the sale or grant.
- 23 (3) The qualifying corporation, if the qualifying corporation is a
- 24 neighborhood development corporation, agrees that the
- 25 qualifying corporation and each applicant, recipient, contractor,
- 26 or subcontractor undertaking work in connection with the real
- 27 property will:
- 28 (A) use lower income project area residents as trainees and
- 29 as employees; and
- 30 (B) contract for work with business concerns located in the
- 31 project area or owned in substantial part by persons residing
- 32 in the project area;

1 to the greatest extent feasible, as determined under the standards
2 specified in 24 CFR 135.

3 (4) The county fiscal body has determined that the corporation
4 meets the criteria established under subsection (i).

5 (5) The qualifying corporation agrees to rehabilitate or otherwise
6 develop the property in a manner that is similar to and consistent
7 with the use of the other properties in the area served by the
8 qualifying corporation.

9 (c) To carry out the purposes of this section, the commission may
10 secure from the county under IC 6-1.1-25-9(e) parcels of property
11 acquired by the county under IC 6-1.1-24 and IC 6-1.1-25.

12 (d) Before offering any parcel of property for sale or grant, the fair
13 market value of the parcel of property must be determined by an
14 appraiser, who may be an employee of the department. However, if the
15 commission has obtained the parcel in the manner described in
16 subsection (c), an appraisal is not required. An appraisal under this
17 subsection is solely for the information of the commission and is not
18 available for public inspection.

19 (e) The commission must decide whether the commission will sell
20 or grant the parcel of real property at a public meeting. In making this
21 decision, the commission shall give substantial weight to the extent to
22 which and the terms under which the qualifying corporation will cause
23 development to serve or benefit families of low or moderate income. If
24 more than one (1) qualifying corporation is interested in acquiring a
25 parcel of real property, the commission shall conduct a hearing at
26 which a representative of each corporation may state the reasons why
27 the commission should sell or grant the parcel to that corporation.

28 (f) Before conducting a hearing under subsection (e), the
29 commission shall publish a notice in accordance with IC 5-3-1
30 indicating that at a designated time the commission will consider
31 selling or granting the parcel of real property under this section. The
32 notice must state the general location of the property, including the
33 street address if any, or a common description of the property other
34 than the legal description.

35 (g) If the county agrees to transfer a parcel of real property to the
36 commission to be sold or granted under this section, the commission
37 may conduct a hearing to sell or grant the parcel to a qualifying
38 corporation even though the parcel has not yet been transferred to the
39 commission. After the hearing, the commission may adopt a resolution
40 directing the department to take appropriate steps necessary to acquire
41 the parcel from the county and to transfer the parcel to the qualifying
42 corporation.

43 (h) A conveyance of property to a qualifying corporation under
44 this section shall be made in accordance with section 15(i) of this
45 chapter.

46 (i) The county fiscal body shall establish criteria for determining
47 the eligibility of nonprofit corporations and neighborhood development
48 corporations for sales or grants of real property under this section. A
49 nonprofit corporation or neighborhood development corporation may
50 apply to the county fiscal body for a determination concerning the
51 corporation's compliance with the criteria established under this

1 subsection.

2 ~~(j) This section expires July 1, 1999.~~

3 SECTION 4. IC 36-7-15.1-22.5 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JUNE 30, 1999]: Sec. 22.5. (a) The
5 commission may acquire a parcel of real property by the exercise of
6 eminent domain when the following conditions exist:

7 (1) The real property is an unsafe premises (as defined in
8 IC 36-7-9) and is subject to an order issued under IC 36-7-9 or
9 a notice of violation issued by the county's health and hospital
10 corporation under its powers under IC 16-22-8.

11 (2) The real property is not being used as a residence or for a
12 business enterprise.

13 (3) The real property is capable of being developed or
14 rehabilitated to provide affordable housing for low or moderate
15 income families or to provide other development that will benefit
16 or serve low or moderate income families.

17 (4) The blighted condition of the real property has a negative
18 impact on the use or value of the neighboring properties or other
19 properties in the community.

20 (b) The commission or its designated hearing examiner shall
21 conduct a public meeting to determine whether the conditions set forth
22 in subsection (a) exist relative to a parcel of real property. Each person
23 holding a fee or life estate interest of record in the property must be
24 given notice by first class mail of the time and date of the hearing at
25 least ten (10) days before the hearing, and is entitled to present
26 evidence and make arguments at the hearing.

27 (c) Whenever the commission considers it necessary to acquire
28 real property under this section, it shall adopt a resolution setting out
29 its determination to exercise that power and directing its attorney to file
30 a petition in the name of the city on behalf of the department in the
31 circuit or superior court in the county.

32 (d) Eminent domain proceedings under this section are governed
33 by IC 32-11.

34 (e) The commission shall use real property acquired under this
35 section for one (1) of the following purposes:

36 (1) Sale in an urban homestead program under IC 36-7-17.

37 (2) Sale to a family whose income is at or below the county's
38 median income for families.

39 (3) Sale or grant to a neighborhood development corporation or
40 other nonprofit corporation, with a condition in the granting
41 clause of the deed requiring the nonprofit organization to lease
42 or sell the property to a family whose income is at or below the
43 county's median income for families or to cause development
44 that will serve or benefit families whose income is at or below
45 the county's median income for families. However, a nonprofit
46 organization is eligible for a sale or grant under this subdivision
47 only if the county fiscal body has determined that the nonprofit
48 organization meets the criteria established under subsection (f).

49 (4) Any other purpose appropriate under this chapter so long as
50 it will serve or benefit families whose income is at or below the

- 1 county's median income for families.
- 2 (f) The county fiscal body shall establish criteria for determining
3 the eligibility of neighborhood development corporations and other
4 nonprofit corporations for sales and grants of real property under
5 subsection (e)(3). A neighborhood development corporation or other
6 nonprofit corporation may apply to the county fiscal body for a
7 determination concerning the corporation's compliance with the criteria
8 established under this subsection.
- 9 (g) A neighborhood development corporation or nonprofit
10 corporation that receives property under this section must agree to
11 rehabilitate or otherwise develop the property in a manner that is
12 similar to and consistent with the use of the other properties in the area
13 served by the corporation.
- 14 ~~(h) This section expires July 1, 1999.~~
15 Renumber all SECTIONS consecutively.
(Reference is to EHB 1155 as printed March 30, 1999.)

Senator CLARK