
SENATE BILL No. 318

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-4-6.1; IC 6-1.1-25-9; IC 36-7-14-22; IC 36-7-14-22.2; IC 36-7-15.1-15; IC 36-7-15.1-15.2.

Synopsis: Enterprise zones. Provides that the president of the Association of Indiana Enterprise Zones or an enterprise zone executive director designated by the president shall serve as a nonvoting, advisory member of the enterprise zone board. Allows a county or municipal redevelopment commission to sell or grant real property to an urban enterprise association (UEA) without a public bidding process if: (1) the UEA has incorporated as a nonprofit corporation; (2) the property to be conveyed is located entirely within the enterprise zone served by the UEA; and (3) the UEA agrees to develop the property within five years after the conveyance and in a manner consistent with the use of the other properties in the enterprise zone.

Effective: July 1, 2002.

Skillman

January 8, 2002, read first time and referred to Committee on Energy and Economic Development.

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Second Regular Session 112th General Assembly (2002)

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 2001 General Assembly.

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SENATE BILL No. 318



A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

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

1 SECTION 1. IC 4-4-6.1-1, AS AMENDED BY P.L.120-1999,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2002]: Sec. 1. (a) There is created a ~~nineteen (19)~~ **twenty (20)**
4 member enterprise zone board, referred to as the "board" in this
5 chapter. The board consists of fifteen (15) voting members and ~~four (4)~~
6 **five (5)** nonvoting, advisory members. The members described in
7 subsection (b)(1) through (b)(9) serve for four (4) year terms, except
8 that for the initial appointments to the board, six (6) members shall be
9 appointed for two (2) year terms. Not more than ten (10) members may
10 be from the same political party. The presence of at least eight (8)
11 voting members is required to have a quorum for board meetings.

12 (b) The governor shall appoint fifteen (15) enterprise zone board
13 members as follows:
14 (1) A representative of business.
15 (2) A representative of labor.
16 (3) A representative of the fire prevention and building safety
17 commission.



- 1 (4) A representative of minority business.
 2 (5) A representative of small business.
 3 (6) A representative of a neighborhood association.
 4 (7) A representative of municipal government.
 5 (8) A representative of the state department of health.
 6 (9) The lieutenant governor or his designee.
 7 (10) A representative of the department of state revenue.
 8 (11) A representative of the ~~state board of tax commissioners~~
 9 **department of local government finance.**
 10 (12) A representative of the department of environmental
 11 management.
 12 (13) A representative of the Indiana development finance
 13 authority.
 14 (14) A representative of the Indiana business modernization and
 15 technology corporation.
 16 (15) A representative of the department of workforce
 17 development.
 18 (c) The president pro tempore of the state senate shall appoint two
 19 (2) state senators to the enterprise zone board.
 20 (d) The speaker of the house of representatives shall appoint two (2)
 21 state representatives to the enterprise zone board.
 22 (e) **The president of the Association of Indiana Enterprise Zones**
 23 **or the president's designee shall serve as a nonvoting, advisory**
 24 **member of the board. A member designated by the president of the**
 25 **Association of Indiana Enterprise Zones under this subsection:**
 26 **(1) must be the executive director of an enterprise zone**
 27 **designated under this chapter; and**
 28 **(2) shall serve on the board until the member:**
 29 **(A) is dismissed by the president of the Association of**
 30 **Indiana Enterprise Zones under subsection (g); or**
 31 **(B) no longer serves as the executive director of an**
 32 **enterprise zone designated under this chapter.**
 33 (f) The ~~four (4)~~ legislative **five (5)** members appointed under
 34 subsections (c), ~~and~~ (d), **and (e)** are the nonvoting, advisory members
 35 of the board.
 36 (f) ~~(g)~~ **(g)** Members may be dismissed only by the appointing authority
 37 and only for just cause. The governor shall fill any vacancy as it occurs
 38 for the remainder of the term.
 39 (g) ~~(h)~~ **(h)** The governor shall designate a chairman and vice chairman
 40 every two (2) years in the month in which the first meeting of the board
 41 is held or whenever a vacancy occurs.
 42 (h) ~~(i)~~ **(i)** The board by rule shall provide for the conduct of its business

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1 and the performance of its duties.

2 ~~(j)~~ **(j)** The department of commerce shall serve as the staff of the
3 board. If an urban enterprise association created under section 4 of this
4 chapter requests copies of forms filed with the board, the department
5 of commerce shall forward copies of the requested forms to the urban
6 enterprise association.

7 ~~(k)~~ **(k)** Except as provided in subsection ~~(k)~~, **(l)**, a nonlegislative
8 member is entitled to the minimum salary per diem as provided in
9 IC 4-10-11-2.1(b) while performing his duties. Such a member is also
10 entitled to reimbursement for traveling expenses and other expenses
11 actually incurred in connection with his duties, as provided in the state
12 travel policies and procedures established by the Indiana department
13 of administration and approved by the budget agency.

14 ~~(l)~~ **(l)** If a nonlegislative member of the board is an elected public
15 official of local government, the member shall not be paid a salary.
16 However, the board member shall be reimbursed for necessary
17 expenses that are incurred in the performance of official duties.

18 ~~(m)~~ **(m)** A legislative member is entitled to reimbursement as
19 provided by law for traveling expenses and other expenses actually
20 incurred in connection with his duties.

21 SECTION 2. IC 4-4-6.1-5 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 5. (a) An urban
23 enterprise association shall do the following:

- 24 (1) Coordinate zone development activities.
- 25 (2) Serve as a catalyst for zone development.
- 26 (3) Promote the zone to outside groups and individuals.
- 27 (4) Establish a formal line of communication with residents and
28 businesses in the zone.
- 29 (5) Act as a liaison between residents, businesses, the
30 municipality, and the board for any development activity that may
31 affect the zone or zone residents.

32 (b) An urban enterprise association may do the following:

- 33 (1) Initiate and coordinate any community development activities
34 that aid in the employment of zone residents, improve the
35 physical environment, or encourage the turnover or retention of
36 capital in the zone. These additional activities include but are not
37 limited to recommending to the municipality the manner and
38 purpose of expenditure of funds generated under
39 IC 36-7-14-39(g) or IC 36-7-15.1-26(g).
- 40 (2) Recommend that the board modify a zone boundary or
41 disqualify a zone business from eligibility for one (1) or more
42 benefits or incentives available to zone businesses.



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1 (3) Incorporate as a not-for-profit corporation. Such a corporation
 2 may continue after the expiration of the zone in accordance with
 3 the general principles established by this chapter. **An urban**
 4 **enterprise association that incorporates as a not-for-profit**
 5 **corporation under this subdivision may purchase or receive**
 6 **real property from a redevelopment commission under**
 7 **IC 36-7-14-22.2 or IC 36-7-15.1-15.2.**

8 (c) The U.E.A. may request, by majority vote, the legislative body
 9 of the municipality in which the zone is located to modify or waive any
 10 municipal ordinance or regulation that is in effect in the zone. The
 11 legislative body may, by ordinance, waive or modify the operation of
 12 the ordinance or regulation, if that ordinance or regulation does not
 13 affect health (including environmental health), safety, civil rights, or
 14 employment rights.

15 (d) The U.E.A. may request, by majority vote, the enterprise zone
 16 board to waive or modify any state rule that is in effect in the zone. The
 17 board shall review the request and may approve, modify, or reject it.
 18 Approval or modification by the board shall take place after review by
 19 the appropriate state agency. A modification may include but is not
 20 limited to establishing different compliance or reporting requirements,
 21 timetables, or exemptions in the zone for a business or individual, to
 22 the extent that the modification does not adversely affect health
 23 (including environment health), safety, employment rights, or civil
 24 rights. An approval or modification of a state rule by the board takes
 25 effect upon the approval of the governor. In no case are the provisions
 26 of IC 22-2-2 and IC 22-7-1-2 mitigated by this chapter.

27 SECTION 3. IC 6-1.1-25-9, AS AMENDED BY P.L.73-2001,
 28 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2002]: Sec. 9. (a) When a county acquires title to real property
 30 under IC 6-1.1-24 and this chapter, the county may dispose of the real
 31 property under IC 36-1-11 or subsection (e). The proceeds of any sale
 32 under IC 36-1-11 shall be applied as follows:

33 (1) First, to the cost of the sale or offering for sale of the real
 34 property, including the cost of:

- 35 (A) maintenance;
- 36 (B) preservation;
- 37 (C) administration of the property before the sale or offering
 38 for sale of the property;
- 39 (D) unpaid costs of the sale or offering for sale of the property;
- 40 (E) preparation of the property for sale;
- 41 (F) advertising; and
- 42 (G) appraisal.



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1 (2) Second, to any unrecovered cost of the sale or offering for sale
 2 of other real property in the same taxing district acquired by the
 3 county under IC 6-1.1-24 and this chapter, including the cost of:

4 (A) maintenance;

5 (B) preservation;

6 (C) administration of the property before the sale or offering
 7 for sale of the property;

8 (D) unpaid costs of the sale or offering for sale of the property;

9 (E) preparation of the property for sale;

10 (F) advertising; and

11 (G) appraisal.

12 (3) Third, to the payment of the taxes on the real property that
 13 were removed from the tax duplicate under section 4(c) of this
 14 chapter.

15 Fourth, any surplus remaining into the county general fund.

16 (b) The county auditor shall file a report with the board of
 17 commissioners before January 31 of each year. The report must:

18 (1) list the real property acquired under IC 6-1.1-24 and this
 19 chapter; and

20 (2) indicate if any person resides or conducts a business on the
 21 property.

22 (c) The county auditor shall mail a notice by certified mail before
 23 March 31 of each year to each person listed in subsection (b)(2). The
 24 notice must state that the county has acquired title to the tract the
 25 person occupies.

26 (d) If the county determines under IC 36-1-11 that any real property
 27 so acquired should be retained by the county, then the county shall not
 28 dispose of the real property. The county executive may repair,
 29 maintain, equip, alter, and construct buildings upon the real property
 30 so retained in the same manner prescribed for other county buildings.

31 (e) The county may transfer title to real property described in
 32 subsection (a) to the redevelopment commission at no cost to the
 33 commission for sale or grant under ~~IC 36-7-14-22.1~~ or
 34 **IC 36-7-14-22.2**, IC 36-7-15.1-15.1, or **IC 36-7-15.1-15.2**.

35 SECTION 4. IC 36-7-14-22 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 22. (a) This section
 37 does not apply to the sale or grant of real property or interests in real
 38 property to ~~neighborhood development corporations~~ **urban enterprise**
 39 **associations** under section ~~22.1~~ **22.2** of this chapter. The provisions of
 40 this section concerning publication and bidding procedures do not
 41 apply to sales, leases, or other dispositions of real property to other
 42 public agencies for public purposes.



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1 (b) Before offering for sale or lease to the public any of the real
2 property acquired, the redevelopment commission shall cause two (2)
3 separate appraisals of the sale value, or rental value in case of a lease,
4 to be made by independent appraisers. However, if the real property is
5 less than five (5) acres in size and the fair market value of the real
6 property or interest has been appraised by one (1) independent
7 appraiser at less than ten thousand dollars (\$10,000), the second
8 appraisal may be made by a qualified employee of the department of
9 redevelopment. In making appraisals, the appraisers shall take into
10 consideration the size, location, and physical condition of the parcels,
11 the advantages accruing to the parcels under the redevelopment plan,
12 and all other factors having a bearing on the value of the parcels. The
13 appraisals are solely for the information of the commission, and are not
14 open for public inspection.

15 (c) The redevelopment commission shall then prepare an offering
16 sheet showing the parcels to be offered and the offering prices, which
17 may not be less than the average of the two (2) appraisals. Copies of
18 the offering sheets shall be furnished to prospective buyers on request.
19 Maps and plats showing the size and location of all parcels to be
20 offered shall also be kept available for inspection at the office of the
21 department.

22 (d) A notice shall be published in accordance with IC 5-3-1. The
23 notice must state that at a designated time the commission will open
24 and consider written offers for the purchase or lease of the real property
25 being offered. In giving the notice it is not necessary to describe each
26 parcel separately, or to specify the exact terms of disposition, but the
27 notice:

- 28 (1) must state the general location of the parcels;
- 29 (2) call attention generally to any limitations on the use to be
30 made of the real property offered; and
- 31 (3) state that a bid submitted by a trust (as defined in
32 IC 30-4-1-1(a)) must identify each:
 - 33 (A) beneficiary of the trust; and
 - 34 (B) settlor empowered to revoke or modify the trust.

35 (e) At the time fixed in the notice the commission shall open and
36 consider any offers received. These offers may consist of consideration
37 in the form of cash, other property, or a combination of cash and other
38 property. However, with respect to property other than cash, the offer
39 must be accompanied by evidence of the property's fair market value
40 that is satisfactory to the commission in its sole discretion. All offers
41 received shall be opened at public meetings of the commission and
42 shall be kept open for public inspection.

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1 (f) The commission may reject any bids and may make awards to the
 2 highest and best bidders. In determining the best bids, the commission
 3 shall take into consideration the following factors:

4 (1) The size and character of the improvements proposed to be
 5 made by the bidder on the real property bid on.

6 (2) The bidder's plans and ability to improve the real property
 7 with reasonable promptness.

8 (3) Whether the real property when improved will be sold or
 9 rented.

10 (4) The bidder's proposed sale or rental prices.

11 (5) The bidder's compliance with subsection (d)(3).

12 (6) Any factors that will assure the commission that the sale or
 13 lease, if made, will further the execution of the redevelopment
 14 plan and best serve the interest of the community, from the
 15 standpoint of both human and economic welfare.

16 (g) The commission may contract with a bidder in regard to the
 17 factors listed in subsection (f), and the contract may provide for the
 18 deposit of surety bonds, the making of good faith deposits, liquidated
 19 damages, the right of repurchase, or other rights and remedies if the
 20 bidder fails to comply with the contract.

21 (h) After the opening and consideration of the written offers filed in
 22 response to the notice, the commission may dispose of the remainder
 23 of the available real property either at public sale or by private
 24 negotiation carried on by the commission, its regular employees, or real
 25 estate experts employed for that purpose. For a period of thirty (30)
 26 days after the opening of the written offers, no sale or lease may be
 27 made at a price or rental less than that shown on the offering sheet,
 28 except in the case of sales or rentals of ten (10) or more parcels to a
 29 purchaser or lessee who agrees to improve the parcels immediately, but
 30 after that period the commission may adjust the offering prices in the
 31 manner the commission considers necessary to further the
 32 redevelopment plan.

33 (i) A conveyance under this section may not be made until the
 34 agreed consideration has been paid, unless the redevelopment
 35 commission passes a resolution expressly providing that the
 36 consideration does not have to be paid before the conveyance is made.
 37 In addition, such a resolution may provide for a mortgage or other
 38 security. All deeds, leases, land sale contracts, or other conveyances,
 39 and all contracts and agreements, including contracts of purchase and
 40 sale and contracts for advancements, loans, grants, contributions, or
 41 other aid, shall be executed in the name of the "City (or Town or
 42 County) of _____, Department of Redevelopment", and



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1 shall be signed by the president or vice president of the redevelopment
 2 commission and attested by its secretary. A seal is not required on these
 3 instruments or any other instruments executed in the name of the
 4 department.

5 SECTION 5. IC 36-7-14-22.2 IS ADDED TO THE INDIANA
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2002]: **Sec. 22.2. (a) The commission may sell
 8 or grant, at no cost, title to real property to an urban enterprise
 9 association for the purpose of developing the real property if the
 10 following requirements are met:**

11 (1) The urban enterprise association has incorporated as a
 12 not-for-profit corporation under IC 4-4-6.1-5(b)(3).

13 (2) The parcel of property to be sold or granted is located
 14 entirely within the enterprise zone for which the urban
 15 enterprise association was created under IC 4-4-6.1-4.

16 (3) The urban enterprise association agrees to cause
 17 development on the parcel of property within a specified
 18 period that may not exceed five (5) years from the date of the
 19 sale or grant.

20 (4) The urban enterprise association agrees to rehabilitate or
 21 otherwise develop the property in a manner that is similar to
 22 and consistent with the use of the other properties in the
 23 enterprise zone.

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

28 (c) Before offering any parcel of property for sale or grant, the
 29 fair market value of the parcel of property must be determined by
 30 an appraiser, who may be an employee of the department.
 31 However, if the commission has obtained the parcel in the manner
 32 described in subsection (b), an appraisal is not required. An
 33 appraisal under this subsection is solely for the information of the
 34 commission and is not available for public inspection.

35 (d) The commission must decide whether the commission will
 36 sell or grant the parcel of real property at a public meeting. In
 37 making this decision, the commission shall give substantial weight
 38 to the extent to which and the terms under which the urban
 39 enterprise association will cause development on the property.

40 (e) Before conducting a meeting under subsection (d), the
 41 commission shall publish a notice in accordance with IC 5-3-1
 42 indicating that at a designated time the commission will consider

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1 selling or granting the parcel of real property under this section.
 2 The notice must state the general location of the property,
 3 including the street address, if any, or a common description of the
 4 property other than the legal description.

5 (f) If the county agrees to transfer a parcel of real property to
 6 the commission to be sold or granted under this section, the
 7 commission may conduct a meeting to sell or grant the parcel to an
 8 urban enterprise zone even though the parcel has not yet been
 9 transferred to the commission. After the hearing, the commission
 10 may adopt a resolution directing the department to take
 11 appropriate steps necessary to acquire the parcel from the county
 12 and to transfer the parcel to the urban enterprise association.

13 (g) A conveyance of property to an urban enterprise association
 14 under this section shall be made in accordance with section 22(i) of
 15 this chapter.

16 (h) An urban enterprise association that purchases or receives
 17 real property under this section shall report the terms of the
 18 conveyance to the enterprise zone board created under IC 4-4-6.1-1
 19 not later than thirty (30) days after the date the conveyance of the
 20 property is made.

21 SECTION 6. IC 36-7-15.1-15 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 15. (a) This section
 23 does not apply to the sale or grant of real property or interests in real
 24 property to:

25 (1) nonprofit corporations or neighborhood development
 26 corporations under section 15.1 of this chapter; or

27 (2) an urban enterprise association under section 15.2 of this
 28 chapter.

29 The provisions of this section concerning appraisal, publication, and
 30 bidding requirements do not apply to sales, leases, or other dispositions
 31 of real or personal property or interests in property to other public
 32 agencies, including the federal government or any agency or
 33 department of the federal government, for public purposes.

34 (b) Before offering for sale, exchange, or lease (or a combination of
 35 methods) to the public any of the property or interests acquired, the
 36 commission shall cause two (2) separate appraisals of the fair market
 37 value to be made by independent appraisers. However, if the property
 38 is less than five (5) acres in size and the fair market value of the real
 39 property or interest has been appraised by one (1) independent
 40 appraiser at less than ten thousand dollars (\$10,000), the second
 41 appraisal may be made by a qualified employee of the department. In
 42 the case of an exchange, the same appraiser may not appraise both of

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1 the properties to be exchanged. In making appraisals, the appraisers
 2 shall take into consideration the size, location, and physical condition
 3 of the parcels, the advantages accruing to the parcels under the
 4 redevelopment plan, and all other factors having a bearing on the value
 5 of the parcels. The appraisals are solely for the information of the
 6 commission and are not open for public inspection.

7 (c) The commission shall then prepare an offering sheet showing the
 8 parcels to be offered and the offering prices, which may not be less
 9 than the average of the two (2) appraisals. Copies of the offering sheets
 10 shall be furnished to prospective buyers on request. Maps, plats, or
 11 maps and plats showing the size and location of all parcels to be
 12 offered shall also be kept available for inspection at the office of the
 13 department.

14 (d) A notice shall be published in accordance with IC 5-3-1. The
 15 notice must state that at a designated time the commission will open
 16 and consider written offers for the purchase or lease of the property or
 17 interests being offered. In giving the notice it is not necessary to
 18 describe each parcel separately, or to specify the exact terms of
 19 disposition, but the notice:

- 20 (1) must state the general location of the parcels;
- 21 (2) call attention generally to any limitations in the redevelopment
 22 or urban renewal plan on the use to be made of the real property
 23 offered; and
- 24 (3) state that a bid submitted by a trust (as defined in
 25 IC 30-4-1-1(a)) must identify each:
 - 26 (A) beneficiary of the trust; and
 - 27 (B) settlor empowered to revoke or modify the trust.

28 (e) At the time fixed in the notice the commission shall open and
 29 consider any offers received. The offers may consist of consideration
 30 in the form of cash, other property, or a combination of cash and
 31 property. However, with respect to property other than cash, the offer
 32 must be accompanied by evidence of the property's fair market value
 33 that is satisfactory to the commission in the commission's sole
 34 discretion. All offers received shall be opened at public meetings of the
 35 commission and shall be kept open for public inspection.

36 (f) The commission may reject any or all bids or may make awards
 37 to the highest and best bidders. In determining the best bids, the
 38 commission shall take into consideration the following factors:

- 39 (1) The size and character of the improvements proposed to be
 40 made by the bidder on the real property bid on.
- 41 (2) The bidder's plans and ability to improve the real property
 42 with reasonable promptness.

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- 1 (3) Whether the real property when improved will be sold or
- 2 rented.
- 3 (4) The bidder's proposed sale or rental prices.
- 4 (5) The bidder's compliance with subsection (d)(3).
- 5 (6) Any factors that will assure the commission that the sale or
- 6 lease, if made, will further the execution of the redevelopment
- 7 plan and best serve the interest of the community, from the
- 8 standpoint of both human and economic welfare.
- 9 (g) The commission may contract with a bidder in regard to the
- 10 factors listed in subsection (f), and the contract may provide for the
- 11 deposit of surety bonds, the making of good faith deposits, liquidated
- 12 damages, the right of reversion or repurchase, or other rights and
- 13 remedies if the bidder fails to comply with the contract.
- 14 (h) After the opening, consideration, and determination of the
- 15 written offers filed in response to the notice, the commission may
- 16 dispose of all or part of the remaining available property or interests for
- 17 any approved use, either at public sale or by private negotiation carried
- 18 on by the commission, its regular employees, or real estate experts
- 19 employed for that purpose. For a period of thirty (30) days after the
- 20 opening of the written offers and determination on them, no sale,
- 21 exchange, or lease may be made at a price or rental less than that
- 22 shown on the offering sheet, except in the case of sales or rentals of:
- 23 (1) ten (10) or more parcels to a purchaser or lessee who agrees
- 24 to improve the parcels immediately;
- 25 (2) parcels of property to individuals or families whose income is
- 26 at or below the county's median income for individual and family
- 27 income, respectively, for the purpose of constructing single family
- 28 or two (2) family housing; or
- 29 (3) parcels of property to a contractor or developer for the purpose
- 30 of constructing single family or two (2) family housing for
- 31 individuals or families whose income is at or below the county's
- 32 median income for individual and family income, respectively;
- 33 but after that period the commission may adjust the offering prices in
- 34 the manner it considers necessary to further the redevelopment or
- 35 urban renewal plan.
- 36 (i) A conveyance under this section may not be made until the
- 37 agreed consideration has been paid, unless the commission adopts a
- 38 resolution:
- 39 (1) stating that consideration does not have to be paid before the
- 40 conveyance is made; and
- 41 (2) setting forth an arrangement for future payment of
- 42 consideration or provision of an infrastructure credit against the

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1 consideration, or both.
 2 If full consideration is not paid before the conveyance is made, the
 3 commission may use a land sale contract or mortgage to secure
 4 payment of the consideration or may accept as a credit against the
 5 agreed consideration a contractual obligation to perform public
 6 infrastructure work related to the property being conveyed. All deeds,
 7 land sale contracts, leases, or other conveyances, and all contracts and
 8 agreements, including contracts of purchase, sale, or exchange and
 9 contracts for advancements, loans, grants, contributions, or other aid,
 10 shall be executed in the name of the "City of _____, Department
 11 of Metropolitan Development", and shall be executed by the president
 12 or vice president of the commission or by the director of the department
 13 if authorized. A seal is not required on these instruments or any other
 14 instruments executed in the name of the department.

15 SECTION 7. IC 36-7-15.1-15.2 IS ADDED TO THE INDIANA
 16 CODE AS A NEW SECTION TO READ AS FOLLOWS
 17 [EFFECTIVE JULY 1, 2002]: **Sec. 15.2. (a) The commission may sell
 18 or grant, at no cost, title to real property to an urban enterprise
 19 association for the purpose of developing the real property if the
 20 following requirements are met:**

21 **(1) The urban enterprise association has incorporated as a
 22 not-for-profit corporation under IC 4-4-6.1-5(b)(3).**

23 **(2) The parcel of property to be sold or granted is located
 24 entirely within the enterprise zone for which the urban
 25 enterprise association was created under IC 4-4-6.1-4.**

26 **(3) The urban enterprise association agrees to cause
 27 development on the parcel of property within a specified
 28 period that may not exceed five (5) years from the date of the
 29 sale or grant.**

30 **(4) The urban enterprise association agrees to rehabilitate or
 31 otherwise develop the property in a manner that is similar to
 32 and consistent with the use of the other properties in the
 33 enterprise zone.**

34 **(b) To carry out the purposes of this section, the commission
 35 may secure from the county under IC 6-1.1-25-9(e) parcels of
 36 property acquired by the county under IC 6-1.1-24 and
 37 IC 6-1.1-25.**

38 **(c) Before offering any parcel of property for sale or grant, the
 39 fair market value of the parcel of property must be determined by
 40 an appraiser, who may be an employee of the department.
 41 However, if the commission has obtained the parcel in the manner
 42 described in subsection (b), an appraisal is not required. An**

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1 appraisal under this subsection is solely for the information of the
2 commission and is not available for public inspection.

3 (d) The commission must decide whether the commission will
4 sell or grant the parcel of real property at a public meeting. In
5 making this decision, the commission shall give substantial weight
6 to the extent to which and the terms under which the urban
7 enterprise association will cause development on the property.

8 (e) Before conducting a meeting under subsection (d), the
9 commission shall publish a notice in accordance with IC 5-3-1
10 indicating that at a designated time the commission will consider
11 selling or granting the parcel of real property under this section.
12 The notice must state the general location of the property,
13 including the street address, if any, or a common description of the
14 property other than the legal description.

15 (f) If the county agrees to transfer a parcel of real property to
16 the commission to be sold or granted under this section, the
17 commission may conduct a meeting to sell or grant the parcel to an
18 urban enterprise zone even though the parcel has not yet been
19 transferred to the commission. After the hearing, the commission
20 may adopt a resolution directing the department to take
21 appropriate steps necessary to acquire the parcel from the county
22 and to transfer the parcel to the urban enterprise association.

23 (g) A conveyance of property to an urban enterprise association
24 under this section shall be made in accordance with section 15(i) of
25 this chapter.

26 (h) An urban enterprise association that purchases or receives
27 real property under this section shall report the terms of the
28 conveyance to the enterprise zone board created under IC 4-4-6.1-1
29 not later than thirty (30) days after the date the conveyance of the
30 property is made.

31 SECTION 8. [EFFECTIVE JULY 1, 2002] (a) If under
32 IC 4-4-6.1-1(e), as amended by this act, the president of the
33 Association of Indiana Enterprise Zones designates the executive
34 director of an enterprise zone established under IC 4-4-6.1-3 to
35 serve as a nonvoting, advisory member of the enterprise zone
36 board created under IC 4-4-6.1-1, as amended by this act, the
37 president shall make the designation to the enterprise zone board
38 not later than September 1, 2002.

39 (b) This section expires January 1, 2003.

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