An Act

ENROLLED HOUSE
BILL NO. 1008

By: Brumbaugh of the House

and

Holt of the Senate

An Act relating to cities and towns; amending 11 O.S. 2011, Sections 38-101 and 38-106, which relate to urban renewal; modifying definition; requiring two public hearings prior to adopting an urban renewal plan; modifying timing and number of notices prior to public hearings; describing purpose of hearings; directing announcement of second hearing date; setting notice requirements for hearings; listing contents of notice; and providing an effective date.

SUBJECT: Urban renewal

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 11 O.S. 2011, Section 38-101, is amended to read as follows:

Section 38-101. The provisions of this article shall apply to all municipalities in this state except as otherwise provided. The following terms whenever used or referred to in Sections 38-101 through 38-119 of this title shall have the following meanings, unless a different meaning is clearly indicated by the context:

1. "Authority" or "Urban Renewal Authority" shall mean a public body corporate created by Section 38-107 of this title;

2. "Public body" shall mean the state or any incorporated city, town, board, commission, authority, district, or any subdivision or public body of the state;

3. "Municipality" shall mean any incorporated city or town;

4. "Municipal governing body" shall mean the council, board of trustees, or other body duly charged with governing a municipality;

5. "Mayor" shall mean the mayor of a municipality or other officer or body having the duties customarily imposed upon the executive head of a municipality;

6. "Clerk" shall mean the clerk or other official of a municipality who is the custodian of the official records of the municipality;

7. "Federal Government" shall include the United States of America or any agency or instrumentality, corporate or otherwise, of the United States of America;

8. "Blighted area" shall mean an area in which there are properties, buildings, or improvements, whether occupied or vacant, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation or open spaces; ~~population overcrowding;~~ improper subdivision or obsolete platting of land~~, inadequate parcel size; arrested economic development~~; deterioration or demolition of structures without repair, replacement or reinvestment; improper street layout in terms of existing or projected traffic needs, traffic congestion or lack of parking or terminal facilities needed for existing or proposed land uses in the area, predominance of defective or inadequate street layouts; faulty lot layout in relation to size, adequacy, accessibility or usefulness; insanitary or unsafe conditions, deterioration of site or other improvements; diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title including, but not limited to, highly fragmented interests; any one or combination of such conditions which the municipal governing body determines substantially ~~impair~~ impairs or ~~arrest~~ arrests the sound growth of ~~municipalities, or~~ the municipality and constitutes ~~an economic or social~~ a substantial liability, or which endangers life or property by fire or other causes, or is conducive to ill health, transmission of disease, mortality, juvenile delinquency, or crime and by reason thereof, is detrimental to the public health, safety, morals or welfare;

9. "Urban renewal project" or "redevelopment project" may include undertakings and activities of a municipality, an urban renewal authority, redevelopment corporation, person or other corporation, in an urban renewal area for the elimination and for the prevention of the development or spread of blight, and may involve clearance and redevelopment in an urban renewal area, or rehabilitation or conservation in an urban renewal area, or any combination or part thereof in accordance with an urban renewal plan. Such undertakings may include: ~~(a)~~

a. acquisition of a blighted area or portions thereof~~;~~,

~~(b)~~ b. demolition and removal of buildings and improvements~~;~~,

~~(c)~~ c. installation, construction or reconstruction of streets, off-street parking facilities, utilities, parks, playgrounds, and other improvements necessary for carrying out in the urban renewal area the urban renewal objectives of this article in accordance with the urban renewal plan~~;~~,

~~(d)~~ d. disposition of any property for uses in the urban renewal area or the leasing or retention of such property for uses in accordance with the urban renewal plan~~;~~,

~~(e)~~ e. carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the urban renewal plan~~;~~, or

~~(f)~~ f. acquisition of any other real property in the area where necessary to eliminate unhealthful, insanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities;

10. "Urban renewal area" means a blighted area within which the governing body of a municipality designates an area appropriate for an urban renewal project;

11. "Urban renewal plan" means a plan officially adopted by the municipal governing body, as it exists or is changed from time to time, for an urban renewal project, which plan shall: ~~(a)~~

a. conform to the general plan for the municipality as a whole except as provided in subsection ~~I~~ K of Section 38-106~~(c)~~ of this title~~;~~, and ~~(b)~~

b. be sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the urban renewal area, zoning and planning changes, if any, land uses, maximum densities, building requirements, and the plan's relationship to definite local objectives respecting appropriate land uses, traffic, public transportation, public utilities, recreational and community facilities, and other public improvements, and plans for financing the project, and plans for the relocation of families and businesses to be displaced;

12. "Real property" shall include all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest, right and use, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage or otherwise;

13. "Notes" shall mean any notes (including refunding notes), interim certificates of indebtedness, debentures or other obligations;

14. "Obligee" shall include any bondholder, agents or trustees for any bondholders, or lessor demising to the municipality property used in connection with an urban renewal project, or any assignee or assignees of such lessor's interest or any part thereof, and the Federal Government when it is a party to any contract with the Urban Renewal Authority or the municipality;

15. "Person" shall mean any individual, firm, partnership, corporation, company, association, joint stock association, or body politic; and shall include any trustee, receiver, assignee, or other person acting in a similar representative capacity;

16. "Area of operation" shall mean the area within the corporate limits of the municipality;

17. "Board" or "Commission" shall mean a board, commission, department, division, office, body or other unit of the municipality;

18. "Public officer" shall mean any officer who is in charge of any department or branch of the government of a municipality relating to health, fire, building regulations, or to other activities concerning dwellings in its area of operation; and

19. "Redevelopment corporation" shall mean a corporation organized under the provisions of Section 38-117 of this title.

SECTION 2. AMENDATORY 11 O.S. 2011, Section 38-106, is amended to read as follows:

Section 38-106. A. The Urban Renewal Authority may itself prepare or cause to be prepared an urban renewal plan or any person or agency, public or private, may prepare and submit such a plan to the municipality. Prior to the approval of an urban renewal plan by the municipal governing body, the plan shall be submitted to the planning commission having official planning jurisdiction in the municipality and such planning commission shall determine if such plan conforms with the general plan for its area of operation and the municipality, and the planning commission shall submit its written recommendations to the municipality with respect thereto within sixty (60) days after receipt of the plan.

B. A municipal governing body shall not approve an urban renewal plan for an urban renewal area unless such governing body, by resolution, has determined such area to be a blighted area and designated such area or portion thereof, as appropriate for an urban renewal project. The municipal governing body shall not approve an urban renewal plan or project until a general plan for the municipality has been adopted as the long-range development policy, and such urban renewal plan shall adhere thereto; provided, however, that such general plan must have designated and delineated urban renewal areas, established the appropriate reuse of such areas and established priorities for the rehabilitation or clearance and redevelopment of such areas. The Urban Renewal Authority or a municipality shall not acquire real property for an urban renewal project unless the municipal governing body has approved the urban renewal plan in accordance with subsection D of this section.

C. Upon receipt of the recommendations of the planning commission, or if no recommendations are received within the sixty-day period, then without such recommendations, the municipal governing body may proceed with the hearing on the proposed urban renewal project as prescribed by subsection D of this section.

D. ~~The~~ Before adoption of an urban renewal plan or subsequent significant amendments to an urban renewal plan, as determined pursuant to subsection H of this section, the municipal governing body shall hold ~~a~~ two public ~~hearing on an urban renewal plan,~~ hearings after public notice thereof by ~~publication at least one time not less than fifteen (15) days prior to the date of such public hearing, in a newspaper having general circulation in the area of operation of the municipality; and by~~ posting not less than five ~~(5)~~ public notice signs, each having at least nine (9) square feet of display area, for a period of ~~fifteen (15)~~ fourteen (14) successive days including the ~~day~~ days of the public ~~hearing~~ hearings for which notice is being given, in the area affected by the proposed urban renewal plan, and shall outline the general nature and scope of the urban renewal project under consideration. The primary purpose of the first hearing will be to provide information and to answer questions. A representative of the municipal governing body shall present the proposed urban renewal plan. The date of the second public hearing shall be announced in the presence of persons in attendance at the hearing and the date shall be more than seven (7) successive days after the date of the first public hearing. The purpose of the second public hearing shall be to give any interested persons the opportunity to express their views on the proposed or amended urban renewal plan.

E. Notice of the first public hearing shall be given by publication at least one time not less than fourteen (14) successive days prior to the date of the public hearing in a newspaper with general circulation in the area of operation of the municipality. Additionally, a municipal governing body that maintains an Internet website shall make notices prepared pursuant to this section regularly available on the website for a period of not less than fourteen (14) successive days prior to the date of the public hearing. The notices shall include the following:

1. The time and place of the public hearing;

2. The boundaries of the proposed urban renewal area by legal description and by street location, if possible, accompanied by a

sketch clearly delineating the area in detail as may be necessary to advise the reader of the particular land proposed to be included;

3. A statement that the first public hearing shall be for information and question purposes only with persons being given the opportunity to be heard at the second public hearing before any votes are taken;

4. A description of the activities to be authorized by the proposed urban renewal plan, and a location and time where the proposed urban renewal plan may be reviewed by any interested party; and

5. Such other matters as the municipal governing body may deem appropriate.

F. Notice of the second public hearing may be included in the publication notice provided for in subsection E of this section. Notice of the second public hearing shall be published in the same manner as the notice provided for in subsection E of this section if:

1. Notice for both public hearings is not included in the notice of the first public hearing;

2. The location, date or time of the second public hearing is changed after the notice of the first public hearing has been published; or

3. The second public hearing is held more than fourteen (14) successive days after the first public hearing.

G. Following such ~~hearing~~ hearings, the municipal governing body may approve an urban renewal plan if it finds that: ~~(1)~~

1. A feasible method exists for the relocation of families and businesses who will be displaced from the urban renewal area in decent, safe and sanitary accommodations within their means and without undue hardship to such families and businesses; ~~(2)~~

2. The urban renewal plan conforms to and assists in the execution of the general plan of the municipality as a whole; provided, however, if the planning commission fails to make such a determination within the prescribed sixty (60) days, or makes a determination to the contrary, not less than four-fifths (4/5)

majority vote of the municipal governing body shall be required to make this finding; ~~(3)~~

3. The plan includes feasible methods for financing the project; and ~~(4)~~

4. The urban renewal plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation or redevelopment of the urban renewal area by private enterprise.

~~F.~~ H. An urban renewal plan may be modified at any time in accordance with the following procedure: ~~(1)~~

1. The Urban Renewal Authority determines the proposed modification to be desirable; ~~(2)~~ and

2. The planning commission determines that the proposed modification conforms to the general plan for the municipality and makes its recommendations pursuant to the modification or not as it may determine.

Public hearings required for the adoption of an urban renewal plan in the first instance shall be held if the governing body determines the modification to be a significant deviation from the existing urban renewal plan, in which case~~,~~ approval of the modification shall be in the same manner as prescribed by this article for adoption of any urban renewal plan. If the governing body determines the modification not to be a significant deviation or to be merely technical or for clarification purposes, the governing body may act without such public hearings.

~~G.~~ I. If modification of the plan is proposed after the lease or sale by the Urban Renewal Authority of real property in the urban renewal project area, such modification may be conditioned upon the approval of the owner, lessee or successor in interest as the authority may deem advisable and in any event shall be subject to such rights at law or in equity as a lessee or purchaser, or his successor or successors in interest, may be entitled to assert.

~~H.~~ J. Upon the approval by the municipal governing body of an urban renewal plan or of any modification thereof, such plan or modification shall be deemed to be in full force and effect for the respective urban renewal area and the Urban Renewal Authority may

then cause such plan or modification to be carried out in accordance with its terms.

~~I.~~ K. Notwithstanding any other provisions of this article, where the municipal governing body determines that an area is in need of redevelopment or rehabilitation as a result of a flood, fire, wind, earthquake, storm or other catastrophe respecting which the Governor of the state has certified the need for disaster assistance under Public Law 875, Eighty-first Congress (42 U.S.C. Sections 1855 - 1855g), or other federal laws, the municipal governing body may approve an urban renewal plan and an urban renewal project with respect to such area without regard to the provisions of subsection ~~E~~ G of this section and the provisions of this section requiring a general plan for the municipality and a public hearing on the urban renewal project.

SECTION 3. This act shall become effective November 1, 2015.

Passed the House of Representatives the 9th day of March, 2015.

Presiding Officer of the House
of Representatives

Passed the Senate the 14th day of April, 2015.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 15th day of April, 2015, at 2:00 o'clock P M.

By: Audrey Rockwell

Approved by the Governor of the State of Oklahoma this 21st day of April, 2015, at 1:21 o'clock P M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 21st day of April, 2015, at 3:19 o'clock P. M.

By: C. Benge