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March 30, 2015

ENGROSSED 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.

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;

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

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

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

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

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

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

16 8. "Blighted area" shall mean an area in which there are
17 properties, buildings, or improvements, whether occupied or vacant,
18 whether residential or nonresidential, which by reason of
19 dilapidation, deterioration, age or obsolescence, inadequate
20 provision for ventilation, light, air, sanitation or open spaces;
21 ~~population overcrowding;~~ improper subdivision or obsolete platting
22 ~~of land, inadequate parcel size; arrested economic development;~~
23 deterioration or demolition of structures without repair,
24 replacement or reinvestment; improper street layout in terms of

1 existing or projected traffic needs, traffic congestion or lack of
2 parking or terminal facilities needed for existing or proposed land
3 uses in the area, predominance of defective or inadequate street
4 layouts; faulty lot layout in relation to size, adequacy,
5 accessibility or usefulness; insanitary or unsafe conditions,
6 deterioration of site or other improvements; diversity of ownership,
7 tax or special assessment delinquency exceeding the fair value of
8 the land; defective or unusual conditions of title including, but
9 not limited to, highly fragmented interests; any one or combination
10 of such conditions which the municipal governing body determines
11 substantially ~~impair~~ impairs or ~~arrest~~ arrests the sound growth of
12 ~~municipalities, or~~ the municipality and constitutes ~~an economic or~~
13 ~~social~~ a substantial liability, or which endangers life or property
14 by fire or other causes, or is conducive to ill health, transmission
15 of disease, mortality, juvenile delinquency, or crime and by reason
16 thereof, is detrimental to the public health, safety, morals or
17 welfare;

18 9. "Urban renewal project" or "redevelopment project" may
19 include undertakings and activities of a municipality, an urban
20 renewal authority, redevelopment corporation, person or other
21 corporation, in an urban renewal area for the elimination and for
22 the prevention of the development or spread of blight, and may
23 involve clearance and redevelopment in an urban renewal area, or
24 rehabilitation or conservation in an urban renewal area, or any

1 combination or part thereof in accordance with an urban renewal
2 plan. Such undertakings may include:

- 3 ~~(a)~~ a. acquisition of a blighted area or portions thereof~~+~~1
- 4 ~~(b)~~ b. demolition and removal of buildings and improvements~~+~~1
- 5 ~~(c)~~ c. installation, construction or reconstruction of
6 streets, off-street parking facilities, utilities,
7 parks, playgrounds, and other improvements necessary
8 for carrying out in the urban renewal area the urban
9 renewal objectives of this article in accordance with
10 the urban renewal plan~~+~~1
- 11 ~~(d)~~ d. disposition of any property for uses in the urban
12 renewal area or the leasing or retention of such
13 property for uses in accordance with the urban renewal
14 plan~~+~~1
- 15 ~~(e)~~ e. carrying out plans for a program of voluntary or
16 compulsory repair and rehabilitation of buildings or
17 other improvements in accordance with the urban
18 renewal plan~~+~~1 or
- 19 ~~(f)~~ f. acquisition of any other real property in the area
20 where necessary to eliminate unhealthful, insanitary
21 or unsafe conditions, lessen density, eliminate
22 obsolete or other uses detrimental to the public
23 welfare, or otherwise to remove or prevent the spread
24

1 of blight or deterioration, or to provide land for
2 needed public facilities;

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

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

9 a. conform to the general plan for the municipality as a
10 whole except as provided in subsection ~~±~~ K of Section
11 38-106~~(e)~~ of this title~~±~~, and ~~(b)~~

12 b. be sufficiently complete to indicate such land
13 acquisition, demolition and removal of structures,
14 redevelopment, improvements, and rehabilitation as may
15 be proposed to be carried out in the urban renewal
16 area, zoning and planning changes, if any, land uses,
17 maximum densities, building requirements, and the
18 plan's relationship to definite local objectives
19 respecting appropriate land uses, traffic, public
20 transportation, public utilities, recreational and
21 community facilities, and other public improvements,
22 and plans for financing the project, and plans for the
23 relocation of families and businesses to be displaced;
24

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

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

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

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

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

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

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

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

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

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

20 B. A municipal governing body shall not approve an urban
21 renewal plan for an urban renewal area unless such governing body,
22 by resolution, has determined such area to be a blighted area and
23 designated such area or portion thereof, as appropriate for an urban
24 renewal project. The municipal governing body shall not approve an

1 urban renewal plan or project until a general plan for the
2 municipality has been adopted as the long-range development policy,
3 and such urban renewal plan shall adhere thereto; provided, however,
4 that such general plan must have designated and delineated urban
5 renewal areas, established the appropriate reuse of such areas and
6 established priorities for the rehabilitation or clearance and
7 redevelopment of such areas. The Urban Renewal Authority or a
8 municipality shall not acquire real property for an urban renewal
9 project unless the municipal governing body has approved the urban
10 renewal plan in accordance with subsection D of this section.

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

16 D. ~~The~~ Before adoption of an urban renewal plan or subsequent
17 significant amendments to an urban renewal plan, as determined
18 pursuant to subsection H of this section, the municipal governing
19 body shall hold a two public ~~hearing on an urban renewal plan,~~
20 hearings after public notice thereof by ~~publication at least one~~
21 ~~time not less than fifteen (15) days prior to the date of such~~
22 ~~public hearing, in a newspaper having general circulation in the~~
23 ~~area of operation of the municipality; and by posting not less than~~
24 ~~five (5) public notice signs, each having at least nine (9) square~~

1 feet of display area, for a period of ~~fifteen (15)~~ fourteen (14)
2 successive days including the ~~day~~ days of the public ~~hearing~~
3 hearings for which notice is being given, in the area affected by
4 the proposed urban renewal plan, and shall outline the general
5 nature and scope of the urban renewal project under consideration.
6 The primary purpose of the first hearing will be to provide
7 information and to answer questions. A representative of the
8 municipal governing body shall present the proposed urban renewal
9 plan. The date of the second public hearing shall be announced in
10 the presence of persons in attendance at the hearing and the date
11 shall be more than seven (7) successive days after the date of the
12 first public hearing. The purpose of the second public hearing
13 shall be to give any interested persons the opportunity to express
14 their views on the proposed or amended urban renewal plan.

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

- 24 1. The time and place of the public hearing;

1 2. The boundaries of the proposed urban renewal area by legal
2 description and by street location, if possible, accompanied by a
3 sketch clearly delineating the area in detail as may be necessary to
4 advise the reader of the particular land proposed to be included;

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

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

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

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

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

22 2. The location, date or time of the second public hearing is
23 changed after the notice of the first hearing has been published; or
24

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

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

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

9 2. The urban renewal plan conforms to and assists in the
10 execution of the general plan of the municipality as a whole;
11 provided, however, if the planning commission fails to make such a
12 determination within the prescribed sixty (60) days, or makes a
13 determination to the contrary, not less than four-fifths (4/5)
14 majority vote of the municipal governing body shall be required to
15 make this finding; ~~(3)~~

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

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

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

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

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

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

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

23 ~~H.~~ J. Upon the approval by the municipal governing body of an
24 urban renewal plan or of any modification thereof, such plan or

1 modification shall be deemed to be in full force and effect for the
2 respective urban renewal area and the Urban Renewal Authority may
3 then cause such plan or modification to be carried out in accordance
4 with its terms.

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

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

18 COMMITTEE REPORT BY: COMMITTEE ON GENERAL GOVERNMENT
19 March 30, 2015 - DO PASS
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