

**WEST VIRGINIA LEGISLATURE**  
**EIGHTY-FIRST LEGISLATURE**  
**REGULAR SESSION, 2014**

—●—  
**ENROLLED**

**COMMITTEE SUBSTITUTE**

**FOR**

**Senate Bill No. 579**

(SENATORS UNGER, COOKMAN, EDGELL, LAIRD, MILLER,  
PALUMBO, SNYDER, STOLLINGS AND KESSLER (MR. PRESIDENT),  
*ORIGINAL SPONSORS*)

[PASSED MARCH 8, 2014; IN EFFECT NINETY DAYS FROM PASSAGE.]

OFFICE WEST VIRGINIA  
SECRETARY OF STATE

2014 APR - 1 P 4: 26

**FILED**

SB 579

**FILED**

2014 APR -1 P 4: 26

**ENROLLED**  
**COMMITTEE SUBSTITUTE**  
**FOR**

**OFFICE WEST VIRGINIA  
SECRETARY OF STATE**

**Senate Bill No. 579**

(SENATORS UNGER, COOKMAN, EDGELL, LAIRD, MILLER,  
PALUMBO, SNYDER, STOLLINGS AND KESSLER (MR. PRESIDENT),  
*original sponsors*)

---

[Passed March 8, 2014; in effect ninety days from passage.]

---

**AN ACT to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article, designated §31-18E-1, §31-18E-2, §31-18E-3, §31-18E-4, §31-18E-5, §31-18E-6, §31-18E-7, §31-18E-8, §31-18E-9, §31-18E-10, §31-18E-11, §31-18E-12, §31-18E-13, §31-18E-14, §31-18E-15, §31-18E-16, §31-18E-17 and §31-18E-18, all relating to improving housing development and land use; authorizing creation of a land reuse agency by West Virginia municipalities, counties or a combination thereof; stating legislative findings; defining terms; providing requirements for the permissive creation and operation of land reuse agencies; detailing certain requirements for a land reuse agency board and staff; requiring certain terms of the land reuse agency be set forth; providing certain immunity to land reuse jurisdictions; setting forth powers and limitations of land reuse agencies; explicitly stating that land reuse agencies do not have the power of eminent domain; detailing criteria for acquisition and disposition of property by land reuse agencies; authorizing certain land reuse agency property as exempt from property tax;**

stating land reuse agency funding sources; stating requirements and constraints on disposition of property; detailing potential financing of land reuse agency operations; permitting special allocation of certain property taxes in certain situations; authorizing the issuance of certain bonds; requiring land reuse agencies to follow open meetings and freedom of information requirements; providing a process for dissolution of land reuse agencies; requiring the Ethics Act to apply to land reuse agency employees and board members; providing for expedited quiet of title proceedings in circuit court; providing for liberal construction of the article; and requiring an annual audit and report of all land reuse agencies.

*Be it enacted by the Legislature of West Virginia:*

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new article, designated §31-18E-1, §31-18E-2, §31-18E-3, §31-18E-4, §31-18E-5, §31-18E-6, §31-18E-7, §31-18E-8, §31-18E-9, §31-18E-10, §31-18E-11, §31-18E-12, §31-18E-13, §31-18E-14, §31-18E-15, §31-18E-16, §31-18E-17 and §31-18E-18, all to read as follows:

**ARTICLE 18E. WEST VIRGINIA LAND REUSE AGENCY AUTHORIZATION ACT.**

**§31-18E-1. Short title.**

- 1 This article may be known and cited as the West Virginia
- 2 Land Reuse Agency Authorization Act.

**§31-18E-2. Legislative findings.**

- 1 The Legislature finds and declares that:
- 2 (1) Strong communities are important to the social and
- 3 economic vitality of this state. Whether urban, suburban or
- 4 rural, many communities are struggling to cope with vacant,
- 5 abandoned and tax-delinquent properties.

6 (2) Citizens of this state are affected adversely by vacant,  
7 abandoned and tax-delinquent properties, including  
8 properties which have been vacated or abandoned due to  
9 mortgage foreclosure.

10 (3) Vacant, abandoned and tax-delinquent properties  
11 impose significant costs on neighborhoods, communities,  
12 municipalities and counties by lowering property values,  
13 increasing fire and police protection costs, decreasing tax  
14 revenues and undermining community cohesion.

15 (4) Vacant, abandoned and tax-delinquent properties  
16 contribute to blight, invite crime and pests and provide unsafe  
17 play spaces.

18 (5) There is an overriding public need to confront the  
19 problems caused by vacant, abandoned and tax-delinquent  
20 properties through the creation of new tools to enable  
21 municipalities and counties to turn vacant, abandoned and  
22 tax-delinquent spaces into vibrant places.

23 (6) Land reuse agencies, often called land banks in other  
24 jurisdictions, are one of the tools that municipalities and  
25 counties may use to facilitate the return of vacant, abandoned  
26 and tax-delinquent properties to productive use.

### **§31-18E-3. Definitions.**

1 As used in this article:

2 (1) "Board" means the board of directors of a land reuse  
3 agency;

4 (2) "Deconstruct" means to attempt to remove  
5 salvageable pieces of a housing unit prior to or as part of  
6 demolition or renovation;

7           (3) "Financial institution" means a bank, savings  
8 association, operating subsidiary of a bank or savings  
9 association, credit union, association licensed to originate  
10 mortgage loans or an assignee of a mortgage or note  
11 originated by such an institution;

12           (4) "Land reuse agency" means a public body established  
13 under this article;

14           (5) "Land reuse jurisdiction" means: (A) A county or  
15 municipality in this state; or (B) two or more municipalities  
16 or counties that enter into an intergovernmental cooperation  
17 agreement to establish and maintain a land reuse agency;

18           (6) "Municipality" means a municipality as defined in  
19 section two, article one, chapter eight of this code; and

20           (7) "Real property" means all lands, including  
21 improvements and fixtures on them and property of any  
22 nature appurtenant to them or used in connection with them  
23 and every estate, interest and right, legal or equitable, in  
24 them, including terms of years and liens by way of  
25 judgment, mortgage or otherwise, and indebtedness secured  
26 by the liens.

**§31-18E-4. Creation and existence.**

1           (a) *Authority.* – A land reuse jurisdiction may elect to  
2 create a land reuse agency by the adoption of an ordinance to  
3 create a binding legal obligation. The ordinance must specify  
4 the type of entity created and the following:

5           (1) The name of the land reuse agency;

6           (2) The number of members of the board;

7 (3) The names of individuals to serve as initial members  
8 of the board;

9 (4) The qualifications, manner of selection or  
10 appointment and terms of office of members of the board;

11 (5) The manner by which residents will be provided an  
12 opportunity to have input into the land reuse agency  
13 decision-making process; and

14 (6) Additional terms and conditions the land reuse  
15 jurisdiction deems reasonable and necessary for operation of  
16 the land reuse agency that are not inconsistent with this  
17 article.

18 (b) *Filing.* – The governing body of the land reuse  
19 jurisdiction which creates a land reuse agency shall file a  
20 copy of the ordinance with the West Virginia Housing  
21 Development Fund and with the Secretary of State. After  
22 receipt of the ordinance, the Secretary of State shall issue the  
23 appropriate documentation indicating the formation of the  
24 entity.

25 (c) *Combinations.* – (1) The authority under subsection  
26 (a) of this section may be exercised in combination pursuant  
27 to an intergovernmental cooperation agreement by:

28 (A) More than one land reuse jurisdiction; or

29 (B) A land reuse jurisdiction and one or more  
30 municipalities or counties.

31 (2) If a land reuse agency is established under subdivision  
32 (1) of this subsection, the intergovernmental cooperation  
33 agreement must specify matters identified in subsection (a) of  
34 this section.

35           (d) *Limitation.* – Except as set forth in subsection (c) of  
36 this section, if a county establishes a land reuse agency, the  
37 land reuse agency may acquire real property only in those  
38 portions of the county located outside of the geographical  
39 boundaries of any other land reuse agency established by  
40 another land reuse jurisdiction located partially or entirely  
41 within the county.

42           (e) *Legal status of land reuse agency.* – A land reuse  
43 agency:

44           (1) Is a public body corporate and politic, exercising  
45 public and essential governmental functions, and having all  
46 the powers necessary or convenient to carry out and  
47 effectuate the purposes and provisions of this article; and

48           (2) Exists until terminated and dissolved under section  
49 fourteen of this article.

50           (f) *Collaboration.* – A land reuse agency, a political  
51 subdivision and another municipal entity may enter into an  
52 intergovernmental cooperation agreement relative to the  
53 operations of a land reuse agency.

**§31-18E-5. Board of directors of a land reuse agency.**

1           (a) *Membership.* – A board shall consist of an odd  
2 number of members and be not less than five members nor  
3 more than eleven members. Unless restricted by the actions  
4 or agreements specified in section four of this article and  
5 subject to the limits stated in this section, the size of the  
6 board may be adjusted in accordance with bylaws of the land  
7 reuse agency.

8           (b) *Eligibility to serve on board.* –

9 (1) Notwithstanding any law to the contrary, a public  
10 officer is eligible to serve as a board member, and the  
11 acceptance of the appointment neither terminates nor impairs  
12 that public office;

13 (2) A municipal employee is eligible to serve as a board  
14 member;

15 (3) An established land reuse agency board shall include  
16 at least one voting member who:

17 (A) Is a resident of the land reuse jurisdiction;

18 (B) Is not a public official or municipal employee; and

19 (C) Maintains membership with a recognized civic  
20 organization within the land reuse jurisdiction;

21 (4) A member removed under subdivision (3), subsection  
22 (d) of this section is ineligible for reappointment to the board  
23 unless the reappointment is confirmed unanimously by the  
24 board;

25 (5) As used in this subsection, the term "public officer"  
26 means an individual who is elected to office.

27 (c) *Officers.* – The members of the board shall select  
28 annually from among their members a chair, vice chair,  
29 secretary, treasurer and other officers as the board  
30 determines.

31 (d) *Rules.* – The board shall establish rules on all of the  
32 following:

33 (1) Duties of officers;



34           (2) Attendance and participation of members in its regular  
35           and special meetings;

36           (3) A procedure to remove a member by a majority vote  
37           of the other members for failure to comply with a rule; and

38           (4) Other matters necessary to govern the conduct of a  
39           land reuse agency.

40           (e) *Vacancies.* – A vacancy on the board shall be filled in  
41           the same manner as the original appointment. Upon removal  
42           under subdivision (3), subsection (d) of this section, the  
43           position becomes vacant.

44           (f) *Compensation.* – Board members serve without  
45           compensation. The board may reimburse a member for  
46           expenses actually incurred in the performance of duties on  
47           behalf of the land reuse agency.

48           (g) *Meetings.* – (1) The board shall meet as follows:

49           (A) In regular session according to a schedule adopted by  
50           the board;

51           (B) In special session:

52           (i) As convened by the chair; or

53           (ii) Upon written notice signed by a majority of the  
54           members;

55           (2) A majority of the board, excluding vacancies, is a  
56           quorum. Physical presence is required under this paragraph.

57           (h) *Voting.* – (1) Except as set forth in subdivision (2) or  
58           (3) of this subsection or elsewhere in this article, action of the

59 board must be approved by the affirmative vote of a majority  
60 of the board present and voting.

61 (2) Action of the board on the following matters must be  
62 approved by a majority of the entire board membership:

63 (A) Adoption of bylaws;

64 (B) Adoption of rules under subsection (d) of this section;

65 (C) Hiring or firing of an employee or contractor of the  
66 land reuse agency. This function may, by majority vote of the  
67 entire board membership, be delegated by the board to a  
68 specified officer or committee of the land reuse agency;

69 (D) Incurring of debt;

70 (E) Adoption or amendment of the annual budget; or

71 (F) Sale, lease, encumbrance or alienation of real  
72 property or personal property with a value of more than  
73 \$50,000.

74 (3) A resolution under section fourteen of this article,  
75 relating to dissolution of a land reuse agency, must be  
76 approved by two thirds of the entire board membership.

77 (4) A member of the board may not vote by proxy.

78 (5) A member may request a recorded vote on any  
79 resolution or action of the land reuse agency.

80 (i) *Immunity.* – A land reuse jurisdiction which  
81 establishes a land reuse agency and a municipality or county  
82 which are parties to an intergovernmental cooperation  
83 agreement establishing a land reuse agency shall not be liable

84 personally on the bonds or other obligations of the land reuse  
85 agency. Rights of creditors of a land reuse agency are solely  
86 against the land reuse agency.

**§31-18E-6. Staff of the land reuse agency.**

1 (a) *Employees.* – A land reuse agency may employ or  
2 enter into a contract for an executive director, counsel and  
3 legal staff, technical experts and other individuals and may  
4 determine the qualifications and fix the compensation and  
5 benefits of those employees.

6 (b) *Contracts.* – A land reuse agency may enter into a  
7 contract with a municipality or county for:

8 (1) The municipality or county to provide staffing  
9 services to the land reuse agency; or

10 (2) The land reuse agency to provide staffing services to  
11 the municipality or county.

**§31-18E-7. Powers of the land reuse agency.**

1 A land reuse agency is a public body, corporate and  
2 politic, exercising public and essential governmental  
3 functions, and having all the powers necessary or convenient  
4 to carry out and effectuate the purposes and provisions of this  
5 article, including, but not limited to, the following:

6 (1) To adopt, amend and repeal bylaws for the regulation  
7 of its affairs and the conduct of its business;

8 (2) To sue and be sued in its own name and be a party in  
9 a civil action. This paragraph includes an action to clear title  
10 to property of the land reuse agency;

11

[Enr. Com. Sub. for S. B. No. 579

11           (3) To adopt a seal and to alter the same at pleasure;

12           (4) To borrow from federal government funds, from the  
13 state, from private lenders or from municipalities or counties,  
14 as necessary, for the operation and work of the land reuse  
15 agency;

16           (5) To issue negotiable revenue bonds and notes  
17 according to the provisions of this article;

18           (6) To procure insurance or guarantees from the federal  
19 government or the state of the payment of debt incurred by  
20 the land reuse agency and to pay premiums in connection  
21 with the insurance or guarantee;

22           (7) To enter into contracts and other instruments  
23 necessary, incidental or convenient to the performance of its  
24 duties and the exercise of its powers. This paragraph includes  
25 intergovernmental cooperation agreements for the joint  
26 exercise of powers under this article;

27           (8) To enter into contracts and intergovernmental  
28 cooperation agreements with municipalities or counties for  
29 the performance of functions by municipalities or counties on  
30 behalf of the land reuse agency or by the land reuse agency  
31 on behalf of municipalities or counties;

32           (9) To make and execute contracts and other instruments  
33 necessary or convenient to the exercise of the powers of the  
34 land reuse agency. Any contract or instrument signed shall be  
35 executed by and for the land reuse agency if the contract or  
36 instrument is signed, including an authorized facsimile  
37 signature, by:

38           (A) The chair or vice chair of the land reuse agency; and

39 (B) Either:

40 (i) The secretary or assistant secretary of the land reuse  
41 agency; or

42 (ii) The treasurer or assistant treasurer of the land reuse  
43 agency;

44 (10) To procure insurance against losses in connection  
45 with the real property, assets or activities of the land reuse  
46 agency;

47 (11) To invest money of the land reuse agency at the  
48 discretion of the board in instruments, obligations, securities  
49 or property determined proper by the board and to name and  
50 use depositories for its money;

51 (12) To enter into contracts for the management of, the  
52 collection of rent from or the sale of real property of the land  
53 reuse agency;

54 (13) To design, develop, construct, demolish, reconstruct,  
55 deconstruct, rehabilitate, renovate, relocate and otherwise  
56 improve real property or rights or interests in real property;

57 (14) To fix, charge and collect rents, fees and charges for  
58 the use of real property of the land reuse agency and for  
59 services provided by the land reuse agency;

60 (15) To grant or acquire licenses, easements, leases or  
61 options with respect to real property of the land reuse agency;

62 (16) To enter into partnerships, joint ventures and other  
63 collaborative relationships with municipalities, counties and  
64 other public and private entities for the ownership,  
65 management, development and disposition of real property;

66 (17) To organize and reorganize the executive,  
67 administrative, clerical and other departments of the land  
68 reuse agency and to fix the duties, powers and compensation  
69 of employees, agents and consultants of the land reuse  
70 agency; and

71 (18) To do all other things necessary or convenient to  
72 achieve the objectives and purposes of the land reuse agency  
73 or other law related to the purposes and responsibility of the  
74 land reuse agency.

#### **§31-18E-8. Eminent domain.**

1 A land reuse agency does not possess the power of  
2 eminent domain. Any property obtained by the power of  
3 eminent domain after the effective date of this article may not  
4 be acquired by a land reuse agency by any means.

#### **§31-18E-9. Acquisition of property.**

1 (a) *Title to be held in its name.* – A land reuse agency  
2 shall hold in its own name all real property it acquires.

3 (b) *Tax exemption.* – (1) Except as set forth in  
4 subdivision (2) of this subsection, the real property of a land  
5 reuse agency and its income and operations are exempt from  
6 property tax.

7 (2) Subdivision (1) of this subsection does not apply to  
8 real property of a land reuse agency after the fifth  
9 consecutive year in which the real property is continuously  
10 leased to a private third party. However, real property  
11 continues to be exempt from property taxes if it is leased to  
12 a nonprofit or governmental agency at substantially less than  
13 fair market value.

14       **(c) *Methods of acquisition.*** – A land reuse agency may  
15 acquire real property or interests in real property by any  
16 means on terms and conditions and in a manner the land  
17 reuse agency considers proper: *Provided*, That a land reuse  
18 agency may not acquire any interest in oil, gas or minerals  
19 which have been severed from the realty.

20       **(d) *Acquisitions from municipalities or counties.*** – (1) A  
21 land reuse agency may acquire real property by purchase  
22 contracts, lease purchase agreements, installment sales  
23 contracts and land contracts and may accept transfers from  
24 municipalities or counties upon terms and conditions as  
25 agreed to by the land reuse agency and the municipality or  
26 county.

27       **(2)** A municipality or county may transfer to a land reuse  
28 agency real property and interests in real property of the  
29 municipality or county on terms and conditions and  
30 according to procedures determined by the municipality or  
31 county as long as the real property is located within the  
32 jurisdiction of the land reuse agency.

33       **(3)** An urban renewal authority, as defined in section  
34 four, article eighteen, chapter sixteen of this code, located  
35 within a land reuse jurisdiction established under this article  
36 may, with the consent of the local governing body and  
37 without a redevelopment contract, convey property to the  
38 land reuse agency. A conveyance under this subdivision  
39 shall be with fee simple title, free of all liens and  
40 encumbrances.

41       **(e) *Maintenance.*** – A land reuse agency shall maintain all  
42 of its real property in accordance with the statutes and  
43 ordinances of the jurisdiction in which the real property is  
44 located.

45           **(f) Prohibition.** – (1) Subject to the provisions of  
46 subdivision (2) of this subsection, a land reuse agency may  
47 not own or hold real property located outside the  
48 jurisdictional boundaries of the entities which created the  
49 land reuse agency under subsection (c), section four of this  
50 article.

51           (2) A land reuse agency may be granted authority  
52 pursuant to an intergovernmental cooperation agreement with  
53 a municipality or county to manage and maintain real  
54 property located within the jurisdiction of the municipality or  
55 county.

56           **(g) Acquisition of tax-delinquent properties.** –  
57 Notwithstanding any other provision of this code to the  
58 contrary, if authorized by the land reuse jurisdiction which  
59 created a land reuse agency or otherwise by  
60 intergovernmental cooperation agreement, a land reuse  
61 agency may acquire an interest in tax-delinquent property  
62 through the provisions of chapter eleven-a of this code.  
63 Notwithstanding the provisions of section eight, article three,  
64 chapter eleven-a of this code, if no person present at the tax  
65 sale bids the amount of the taxes, interest and charges due on  
66 any unredeemed tract or lot or undivided interest in real  
67 estate offered for sale, the sheriff shall, prior to certifying the  
68 real estate to the auditor for disposition pursuant to section  
69 forty-four, article three, chapter eleven-a of this code, provide  
70 a list of all of said real estate within a land reuse jurisdiction  
71 to the land reuse agency and the land reuse agency shall be  
72 given an opportunity to purchase the tax lien and pay the  
73 taxes, interest and charges due for any unredeemed tract or  
74 lot or undivided interest therein as if the land reuse agency  
75 were an individual who purchased the tax lien at the tax sale.

**§31-18E-10. Disposition of property.**



1           **(a) *Public access to inventory.*** – A land reuse agency  
2 shall maintain and make available for public review and  
3 inspection an inventory of real property held by the land  
4 reuse agency.

5           **(b) *Power.*** – A land reuse agency may convey, exchange,  
6 sell, transfer, lease, grant or mortgage interests in real  
7 property of the land reuse agency in the form and by the  
8 method determined to be in the best interests of the land reuse  
9 agency.

10           **(c) *Consideration.*** – (1) A land reuse agency shall  
11 determine the amount and form of consideration necessary to  
12 convey, exchange, sell, transfer, lease as lessor, grant or  
13 mortgage interests in real property.

14           **(2)** Consideration may take the form of monetary  
15 payments and secured financial obligations, covenants and  
16 conditions related to the present and future use of the  
17 property, contractual commitments of the transferee and other  
18 forms of consideration as determined by the board to be in  
19 the best interest of the land reuse agency.

20           **(d) *Policies and procedures.*** – (1) A board shall  
21 determine and state in the land reuse agency policies and  
22 procedures the general terms and conditions for consideration  
23 to be received by the land reuse agency for the transfer of real  
24 property and interests in real property, including, but not  
25 limited to, a process for distribution of any proceeds to any  
26 claimants, taxing entities and the land reuse agency.

27           **(2)** Requirements which may be applicable to the  
28 disposition of real property and interests in real property by  
29 municipalities or counties shall not be applicable to the  
30 disposition of real property and interests in real property by  
31 a land reuse agency.

32           **(e) *Ranking of priorities.*** – (1) A land reuse jurisdiction  
33 may establish a hierarchical ranking of priorities for the use  
34 of real property conveyed by a land reuse agency, including  
35 use for:

36           **(A) Purely public spaces and places;**

37           **(B) Affordable housing;**

38           **(C) Conservation areas; and**

39           **(D) Retail, commercial and industrial activities.**

40           **(2) The priorities established may be for the entire land**  
41 **reuse jurisdiction or may be set according to the needs of**  
42 **different neighborhoods, municipalities or other locations**  
43 **within the land reuse jurisdiction, or according to the nature**  
44 **of the real property.**

45           **(f) *Land use plans.*** – A land reuse agency shall consider  
46 all duly adopted land use plans and make reasonable efforts  
47 to coordinate the disposition of land reuse agency real  
48 property with the land use plans.

49           **(g) *Specific voting and approval requirements.*** – (1) A  
50 land reuse jurisdiction may, in its ordinance creating a land  
51 reuse agency or in the case of multiple land reuse  
52 jurisdictions and municipalities or counties creating a single  
53 land reuse agency in the applicable intergovernmental  
54 cooperation agreement, require that a particular form of  
55 disposition of real property or a disposition of real property  
56 located within specified jurisdictions be subject to specified  
57 voting and approval requirements of the board.

58           **(2) Except as restricted or constrained under subdivision**  
59 **(1) of this subsection, the board may delegate to officers and**

60 employees the authority to enter into and execute agreements,  
61 instruments of conveyance and other related documents  
62 pertaining to the conveyance of real property by the land  
63 reuse agency.

**§31-18E-11. Financing of land reuse agency operations.**

1 (a) *General rule.* – A land reuse agency may receive  
2 funding through grants and loans from:

3 (1) The federal government;

4 (2) The state;

5 (3) A municipality or county;

6 (4) The land reuse jurisdiction which created the land  
7 reuse agency; and

8 (5) Private or other public sources.

9 (b) *Funding.* – A land reuse agency may receive and  
10 retain payments for services rendered, for rents and leasehold  
11 payments received, for consideration for disposition of real  
12 and personal property, for proceeds of insurance coverage for  
13 losses incurred, for income from investments and for an asset  
14 and activity lawfully permitted to a land reuse agency under  
15 this article.

16 (c) *Allocated real property taxes.* – (1) A taxing  
17 jurisdiction may authorize the remittance or dedication of a  
18 portion of real property taxes collected pursuant to the laws  
19 of this state to a land reuse agency on real property conveyed  
20 by a land reuse agency.

21 (2) Allocation of property tax revenues in accordance  
22 with this subsection, if authorized by the taxing jurisdiction,

23 begins with the first taxable year following the date of  
24 conveyance and continues for a period of up to five years and  
25 may not exceed a maximum of fifty percent of the aggregate  
26 property tax revenues generated by the property.

27 (3) Remittance or dedication of real property taxes  
28 include the real property taxes of a county board of education  
29 only if the county board of education enters into an  
30 agreement with the land reuse agency for the remittance or  
31 dedication.

### **§31-18E-12. Borrowing and issuance of bonds.**

1 (a) *Authority.* – (1) A land reuse agency may issue a bond  
2 for any of its corporate purposes.

3 (2) The principal and interest of a bond is payable from  
4 the land reuse agency's general revenue.

5 (3) The bond may be secured by any of the following:

6 (A) A pledge of revenue. This paragraph includes a grant  
7 or contribution from: (i) The federal government or a federal  
8 agency or instrumentality; or (ii) the state, a state agency or  
9 an instrumentality of the state; or

10 (B) A mortgage of property of the land reuse agency.

11 (b) *Nature.* – The bond is a negotiable instrument under  
12 the provisions of article eight, chapter forty-six of this code.

13 (c) *Tax exempt.* – A bond and the income from the bond  
14 is exempt from taxation by: (1) The state; and (2) a political  
15 subdivision.

16       (d) *Procedure.* – (1) A bond must be authorized by  
17 resolution of the board and shall be a limited obligation of the  
18 land reuse agency.

19       (2) The principal and interest, costs of issuance and other  
20 costs incidental to the bond are payable solely from the  
21 income and revenue derived from the sale, lease or other  
22 disposition of the assets of the land reuse agency. The land  
23 reuse agency may secure the bond by a mortgage or other  
24 security device covering all or part of the project from which  
25 the pledged revenues may be derived.

26       (3) A refunding bond issued under this section:

27       (A) Is payable from: (i) A source described in this article;  
28 or (ii) the investment of the proceeds of the refunding bonds;  
29 and

30       (B) Is not an indebtedness or pledge of the general credit  
31 of a political subdivision within the meaning of a  
32 constitutional or statutory limitation of indebtedness and shall  
33 contain a recital to that effect.

34       (4) A bond must comply with the authorizing resolution  
35 as to:

36       (A) Form;

37       (B) Denomination;

38       (C) Interest rate;

39       (D) Maturity; and

40       (E) Execution.

41           (5) A bond may be subject to redemption at the option of  
42 and in the manner determined by the board in the authorizing  
43 resolution.

44           (e) *Powers of municipalities or counties.* – A  
45 municipality or county may elect to guarantee, insure or  
46 otherwise become primarily or secondarily obligated on the  
47 indebtedness of a land reuse agency, subject, however, to all  
48 other provisions of law of this state applicable to municipal  
49 or county indebtedness.

50           (f) *Sale.* – (1) A bond shall be issued, sold and delivered  
51 in accordance with the terms and provisions of the  
52 authorizing resolution. The board, to effectuate its best  
53 interest, may determine the manner of sale, public or private,  
54 and the price of the bond.

55           (2) The resolution issuing a bond must be published in a  
56 newspaper of general circulation within the jurisdiction in  
57 which the land reuse agency is located.

58           (g) *Liability.* – (1) Neither the members of a land reuse  
59 agency nor a person executing the bond shall be liable  
60 personally on the bonds by reason of the issuance of the  
61 bond.

62           (2) The bond or other obligation of a land reuse agency  
63 related to a bond shall not be a debt of a municipality, county  
64 or of the state. A statement to this effect shall appear on the  
65 face of the bond or obligation.

66           (3) On the bond or other obligation of a land reuse  
67 agency related to a bond, all of the following apply:

68           (A) The state has no liability. This paragraph applies to  
69 the revenue and property of the state; and

70 (B) A municipality or county has no liability. This  
71 paragraph applies to the revenue and property of a  
72 municipality or county.

**§31-18E-13. Public records and public access.**

1 (a) *Public records.* – A board shall keep minutes and a  
2 record of its proceedings.

3 (b) *Public access.* – A land reuse agency is subject to  
4 article nine-a, chapter six of this code relating to open  
5 meetings and chapter twenty-nine-b of this code relating to  
6 public records.

**§31-18E-14. Dissolution of land reuse agency.**

1 (a) *General rule.* – A land reuse agency may be dissolved  
2 as a public body corporate and politic upon compliance with  
3 all of the following:

4 (1) Sixty calendar days' advance written notice of  
5 consideration of a resolution to request dissolution must be:

6 (A) Given to the land reuse jurisdiction which created the  
7 land reuse agency;

8 (B) Published in a local newspaper of general circulation;  
9 and

10 (C) Sent by certified mail to the trustees of outstanding  
11 bonds of the land reuse agency;

12 (2) Satisfaction of all outstanding liabilities; and

13 (3) Approval of a resolution requesting dissolution,  
14 pursuant to subdivision (3), subsection (h), section five of this  
15 article.

16           (b) *Authority.* – Upon receipt of a proper resolution  
17 described in subsection (a) of this section, the land reuse  
18 jurisdiction which created the land reuse agency may dissolve  
19 the land reuse agency by adoption of an ordinance or order.  
20 If approved, the governing body of the land reuse jurisdiction  
21 which created the land reuse agency shall file a certified copy  
22 of the ordinance or order with the Secretary of State and  
23 notify the West Virginia Housing Development Fund of the  
24 dissolution of the land reuse agency. The Secretary of State  
25 shall cause the termination of the existence of the land reuse  
26 agency to be noted on the record of incorporation. Upon the  
27 filing, the land reuse agency shall cease to function.

28           (c) *Transfer of assets.* – Upon dissolution of the land  
29 reuse agency, real property, personal property and other  
30 assets of the land reuse agency become the assets of the  
31 municipality in which the property is located or the county in  
32 which the property is located, if it is not within a  
33 municipality. The following apply:

34           (1) Personal property, including financial assets, of the  
35 land reuse agency shall be divided among participating land  
36 reuse jurisdictions in proportion to the population of each  
37 jurisdiction.

38           (2) The municipality in which real property is located or  
39 the county in which the property is located, if it is not within  
40 a municipality, shall approve the transfer of title to the  
41 municipality or county.

42           (d) *Multiple jurisdictions.* – If multiple land reuse  
43 jurisdictions create a land reuse agency under section four of  
44 this article, the withdrawal of one or more land reuse  
45 jurisdictions does not require dissolution of the land reuse  
46 agency unless:



47       (1) The intergovernmental cooperation agreement  
48 provides for dissolution in this event; and

49       (2) There is no land reuse jurisdiction which desires to  
50 continue the existence of the land reuse agency.

**§31-18E-15. Conflicts of interest.**

1       (a) *Ethics Act.* – The acts and decisions of members of a  
2 board and of employees of a land reuse agency are subject to  
3 chapter six-b of this code.

4       (b) *Supplemental rules and guidelines.* – The board may  
5 adopt:

6       (1) Supplemental rules addressing potential conflicts of  
7 interest; and

8       (2) Ethical guidelines for members of the board and land  
9 reuse agency employees.

**§31-18E-16. Expedited quiet title proceedings.**

1       (a) *Authorization.* – (1) A land reuse agency may file an  
2 action in circuit court to quiet title to real property in which  
3 the land reuse agency has an interest.

4       (2) A land reuse agency may join in a single complaint to  
5 quiet title to one or more parcels of real property.

6       (3) For purposes of an action under this section, the land  
7 reuse agency shall be deemed to be the holder of sufficient  
8 legal and equitable interests and possessory rights so as to  
9 qualify the land reuse agency as an adequate complainant in  
10 the action.

11           **(b) *Procedural requirements.* – (1) Prior to the filing of**  
12 **an action to quiet title, the land reuse agency must conduct an**  
13 **examination of title to determine the identity of any person**  
14 **possessing a claim or interest in or to the real property.**

15           **(2) Service of the complaint to quiet title shall be**  
16 **provided in accordance with the requirements to serve a civil**  
17 **complaint generally, including that service to interested**  
18 **parties be made as follows:**

19           **(A) By first-class mail to the identity and address**  
20 **reasonably ascertainable by an inspection of public records;**

21           **(B) In the case of occupied real property, by first-class**  
22 **mail, addressed to “occupant”;**

23           **(C) By posting a copy of the notice on the real property;**

24           **(D) By publication; and**

25           **(E) As ordered by the court.**

26           **(3) As part of the complaint to quiet title, the land reuse**  
27 **agency must file an affidavit identifying:**

28           **(A) Persons discovered under subdivision (1) of this**  
29 **subsection; and**

30           **(B) The form of service under subdivision (2) of this**  
31 **subsection.**

32           **(c) *Hearing.* – (1) The court shall schedule a hearing on**  
33 **the complaint within ninety days following filing of the**  
34 **complaint and as to all matters upon which an answer was not**  
35 **filed by an interested party.**

36           (2) The court shall issue its final judgment within one  
37   hundred twenty days of the filing of the complaint.

**§31-18E-17. Construction, intent and scope.**

1           This article shall be construed liberally to effectuate the  
2   legislative intent and the purposes as complete and  
3   independent authorization for the implementation of this  
4   article, and all powers granted shall be broadly interpreted to  
5   effectuate the intent and purposes and not as a limitation of  
6   powers.

**§31-18E-18. Annual audit and report.**

1           (a) The land reuse agency shall annually, within one  
2   hundred twenty days after the end of the fiscal year, submit  
3   an audit of income and expenditures, together with a report  
4   of its activities for the preceding year, to the West Virginia  
5   Housing Development Fund.

6           (b) A duplicate of the audit and the report shall be filed  
7   with the governing body of:

8           (1) The land reuse jurisdiction which created the land  
9   reuse agency; and

10          (2) Each political subdivision which opted to participate  
11   in the land reuse agency pursuant to an intergovernmental  
12   agreement.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

~~Member~~ ~~Chairman Senate Committee~~

*[Signature]*  
.....  
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

*[Signature]*  
.....  
Clerk of the Senate

*[Signature]*  
.....  
Clerk of the House of Delegates

*[Signature]*  
.....  
President of the Senate

*[Signature]*  
.....  
Speaker of the House of Delegates

The within *is approved* ..... this  
the *1st* Day of *April* ....., 2014.

*[Signature]*  
.....  
Governor

PRESENTED TO THE GOVERNOR

MAR 27 2014

Time 3:45 pm