

ORDINANCE NO. 17,847

AN ORDINANCE AMENDING CHAPTER 5 OF THE CODE OF THE CITY OF PEORIA PERTAINING TO THE ESTABLISHMENT OF THE CITY OF PEORIA LAND BANK

WHEREAS, the City Council is a home rule unit of government pursuant to Article VII, Section 6 of the Constitution of the State of Illinois 1970, and may exercise any power and perform any function pertaining to its government and affairs; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PEORIA, ILLINOIS, as follows:

ARTICLE XV – ESTABLISHMENT OF THE CITY OF PEORIA LAND BANK

Sec. 5-544. - Authority.

This ordinance the City of Peoria establishes the creation of the City of Peoria Land Bank.

Sec. 5-545. - Purpose.

The City of Peoria will use its authority to create the City of Peoria Land Bank Authority (“Land Bank”) which will be a Division of the City of Peoria Community Development Department. The City will use its authority for the common public purpose of combating community deterioration. Specifically, the City will focus on strategies to return property to productive use, improve quality of life, stabilize the tax base and create opportunities for public and private investment in open space, housing, commerce, industry, and employment for City residents.

Sec. 5-546. - Duties. In carrying out its purpose, the Land Bank shall, in accordance with applicable laws, codes, policies and procedures approved by the Land Bank Board and otherwise without limitation, manage and dispose of certain real and personal property and perform other functions, services, and responsibilities as may be assigned to the Land Bank by the City.

Sec. 5-547. - Creation and Legal Status of the Land Bank. The City Council agrees to cause the creation of the Land Bank as a Division of the City of Peoria Community Development Department to implement the functions, services, and responsibilities contemplated by this document.

Sec. 5-548. - Title to Land Bank Assets. Except as otherwise provided in this Agreement, title to all real property acquired by the Land Bank shall be held in the name “City of Peoria, a body corporate and politic, d/b/a Peoria Land Bank Authority.”

Sec. 5-549. - Compliance with Law. The Land Bank shall comply with all applicable federal and State laws, rules, regulations, and orders.

Sec. 5-550. - No Third-Party Beneficiaries. Except as otherwise specifically provided, this Agreement does not create in any person or entity any direct or indirect benefit, obligation, duty, promise, right to be indemnified, and/or any other right or benefit.

Sec. 5-551. - Powers of the Land Bank. The City Council hereby confers upon the Land Bank, to the full extent of the City Council's constitutional and statutory authority, the authority to do all things necessary or convenient to implement the purposes, objectives, and provisions of this Ordinance, and take all related actions. Among other powers, the Land Bank shall exercise the City's home rule authority:

- (a) Purchase, accept or otherwise acquire real and personal property from any entity, including, but not limited to, other governmental units and private third parties;
- (b) Hold real and personal in its name of the Land Bank for the purposes set forth herein;
- (c) Sell real and personal property held by the Land Bank to any entity, including, but not limited to, other governmental units and private third parties
- (d) Extinguish past due tax liens to the extent permitted by law;
- (e) Exercise statutory authority to take removal action, lien property, foreclose on liens, and petition a Circuit Court for a declaration of abandonment pursuant to 65 ILCS 5/11-31-1(d);
- (f) Enter into contracts and other instruments in any capacity, necessary, incidental, or convenient to the performance of the Land Bank's duties and the exercise of its powers, including, but not limited to, documents with other local governments regarding the disposition of Land Bank properties located within their respective municipal boundaries;
- (g) Solicit and accept gifts, grants, labor, loans, and other aid from any person or entity, or the federal government, the State of Illinois, or a political subdivision of the State of Illinois, or any agency of the federal government;
- (h) Procure insurance or another method to reduce loss in connection with the property, assets, or activities of the Land Bank;
- (i) Invest money of the Land Bank, in instruments, obligations, securities, or property which are permitted investments of a unit of local government;
- (j) Employ legal and technical consultants, other officers, agents, or employees, to be paid from the funds of the Land Bank. The Land Bank shall determine the qualifications, duties, and compensation of those it employs. The Board of Directors of the Land Bank may delegate to one or more, officers, agents, or employees any powers or duties it considers proper;
- (k) Contract for goods and services and engage personnel as necessary, to be paid from the funds of the Land Bank;
- (l) Study, develop, and prepare any reports or plans the Land Bank considers

necessary to assist it in the exercise of its powers under this Ordinance and to monitor and evaluate the progress of the Land Bank under this Ordinance:

- (m) Enter into contracts for the demolition of, the maintenance, management, and improvement of, the collection of rent from, or the sale of real property held by the Land Bank;
- (n) Do all other things necessary or convenient to achieve the objectives and purposes of the Land Bank or other laws that relate to the purposes and responsibilities of the Land Bank.

Sec. 5-552. - Limitation on Political Activities. The Land Bank shall not spend any public funds on political activities.

Sec. 5-553. - Non-Discrimination. The Land Bank shall comply with all applicable laws prohibiting discrimination. The Land Bank shall not fail or refuse to hire, recruit, or promote; demote; discharge; or otherwise discriminate against a person with respect to employment, compensation, or a term, condition, or privilege of employment because of religion, race, color, national origin, age, sex, sexual orientation, height, weight, marital status, partisan considerations, disability, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. The Land Bank shall not provide services in a manner that discriminates against a person with respect to employment, compensation, or a term, condition, or privilege of employment because of religion, race, color, national origin, age, sex, sexual orientation, height, weight, marital status, partisan considerations, disability, or genetic information that is unrelated to the person's ability to receive services from the Land Bank.

Sec. 5-554. - Land Bank Board Composition. The Land Bank shall be governed by the Peoria Land Bank Authority Board of Directors (the "Board"). The following representatives shall serve as Land Bank Board to ensure that the commitments made herein are met:

- (a) Three Councilmembers, appointed by the Mayor and approved by the City Council
- (b) The City Manager, or designee
- (c) The Community Development Department Director, or designee
- (d) The Corporation Counsel or designee
- (e) A representative from the Real Estate Community, appointed by the Mayor and approved by the City Council
- (f) Two representatives from City of Peoria neighborhoods that represent Neighborhood Interests; appointed by the Mayor and approved by the City Council
- (g) Peoria County Treasurer or designee
- (h) County appointment by the County Board Chairman with the consent of the County Board

All members shall serve until resignation or replacement by the City Council. The City Manager or his designee will serve as the Chair of the Committee. The two

representatives from neighborhoods must live in separate Council Districts. The representative from the real estate community must be a licensed realtor with the State of Illinois and live in the City of Peoria. The County appointment must also live in the City of Peoria.

Sec. 5-555. - Meetings. The Land Bank Board shall meet monthly. The place, date, and time of the meetings shall be determined at the discretion of the Chair of the board in accordance with all applicable Illinois laws. To the extent it applies, meetings shall be held in compliance with the Illinois Open Meetings Act, 5 ILCS 120/1 et seq. ("Open Meetings Act").

Sec. 5-556. - Chairperson Duties and Powers. The City Manager or his designee, will serve as the chairperson of the Land Bank Board.

- A. Chairperson Duties. The Chairperson shall be the principal executive officer of the Land Bank and shall preside at all meetings of the Board of Directors. Subject to any policies adopted by the Board of Directors, the Chairperson shall have the right to supervise and direct the management and operation of the Land Bank and to make all decisions as to policy and otherwise which may arise between meetings of the Board of Directors, and the other officers and employees of the Land Bank shall be under the Chairperson's supervision and control during such interim. The Chairperson shall give, or cause to be given, notice of all meetings of the Board of Directors. The Chairperson's duties shall include execution of all deeds, leases, and contracts of the Land Bank authorized by the Board. The Chairperson shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe.
- B. Chairperson Powers. The chairman of Land Bank Board in his role as the City Manager of Peoria reserves all rights and powers bestowed upon by the City of Peoria Code and State statutes. The Chairperson has the authority to acquire and dispose of property on behalf of the Land Bank under the following terms:
 - 1. Transactions less than \$15,000 at their discretion
 - 2. Transactions \$15,000 to \$50,000 with Land Bank Board approval
 - 3. Transactions over \$50,000 with City Council approvalThe Chairperson will provide a monthly report to the Land Bank Board the details all transactions that have occurred.

Sec. 5-557. - Records of Meetings. Minutes shall be transcribed at all meetings, approved by the Land Bank Board, and maintained by the Land Bank. The Community Development Department will staff the Committee meetings.

Sec. 5-558. - Fiduciary Duty. The members of the Land Bank Board have a fiduciary duty to conduct the activities and affairs of the Land Bank in the Land Bank's best interests. The members of the Land Bank Board shall discharge their duties in good faith and with the care an ordinarily prudent individual would exercise under similar circumstances.

Sec. 5-559. - Compensation. The members of the Land Bank Board shall receive no compensation for the performance of their duties. The Land Bank may reimburse members of the Land Bank Board for actual and necessary expenses incurred in the

discharge of their official duties.

Sec. 5-560. - Conflict of Interest. No member of the Land Bank Board shall vote on any matter in which such Director or any parent, spouse, child, partner, employer, client or similar business or personal relationship or entity has an interest in any property or business that would be affected by such action. Directors shall annually disclose all known conflicts of interest. In the event that a Director abstains from a specific vote due to a conflict of interest, the conflict shall be identified in the Board's meeting minutes.

Sec. 5-561. - Land Bank Board Responsibilities. The Board shall:

- (a) Ensure that all operations including contractual matters are conducted free from any political interference; and
- (b) Ensure efficiency in service delivery and sound fiscal management of all aspects of the Land Bank.
- (c) Ensure all money specifically earmarked for the Land Bank is spent in relation to the duties of the Land Bank.
- (d) Make decisions on transactions as determined previously in this document.

Sec. 5-562. - Employment and Compensation of Staff. The City of Peoria shall provide staffing services for the Land Bank, unless and until the Land Bank Board votes to directly employ, through contract or otherwise, any staff deemed necessary to carry out the duties and responsibilities of the Land Bank.

Sec. 5-563. - Annual Reports. Not less than annually, the Land Bank Board, with assistance from the Community Development Department of the City of Peoria, shall prepare a report detailing the results of the activities set forth herein for the previous year and goals for future action of the Land Bank. The report will be presented to the entire City Council on an annual basis.

Sec. 5-564. - Freedom of Information Act. To the extent that the Illinois Freedom of Information Act (FOIA), 5 ILCS 140/1 *et seq.*, applies to the Advisory Team, the Co-Chairs shall be the designated FOIA officers for all requests.

Sec. 5-565. - Acquisition of Property. Except as otherwise provided in this Ordinance, the Land Bank may exercise the powers of the City of Peoria to acquire by gift, devise, transfer, exchange, foreclosure, purchase, or any other means real or personal property or rights or interests in real or personal property on terms and conditions and in a manner the Land Bank considers proper or necessary to carry out the purposes of this Ordinance.

Sec. 5-566. - Execution of Legal Documents Relating to Property. All deeds, mortgages, contracts, leases, purchases, or other documents regarding property of the Land Bank, including documents to acquire or dispose of real property, shall be approved by and executed in the name of the City of Peoria, a body corporate and politic, d/b/a Peoria Land Bank Authority in accordance with policies and procedures that are approved by the Land Bank Board.

Sec. 5-567. - Holding and Managing Property. Exercising the home rule authority of the City of Peoria, the Land Bank may control, hold, manage, maintain, operate, repair, lease, convey, demolish, relocate, rehabilitate, or take all other actions

necessary to preserve the value of the property it holds or owns.

Sec. 5-568. - Transfer of Interests in Property. The City Council shall approve a process for vetting prospective Land Bank buyers and setting prices for sale. Subject to this approved process, the Land Bank may exercise the authority of the City of Peoria to convey, sell, transfer, exchange, lease, or otherwise dispose of property or rights or interests in property in which the Land Bank holds a legal interest to any public or private person or entity for any amount of consideration the Land Bank considers proper and fair.

Sec. 5-569. - General. Notwithstanding any provision in this Ordinance to the contrary, individuals who serve as Directors, officers, employees and agents shall have all rights of indemnification and defense provided under law.

Sec. 5-570. - Third Party Actions. The Land Bank shall hold harmless, defend and indemnify any person or Member who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Land Bank) by reason of the fact that he, she or it is or was a Director, officer, member, employee or agent of the Land Bank, or who is or was serving at the request of the Land Bank as a Director, officer, employee, or agent of another Land Bank, partnership, joint venture, trust or other enterprise, against any amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, if such person acted in good faith and in a manner he, she or it reasonably believed to be in, or not opposed to, the best interests of the Land Bank, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Land Bank, with respect to any criminal action or proceeding, that the person had reasonable cause to believe that his or her conduct was unlawful.

Sec. 5-571. - Insurance. The Land Bank may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Land Bank, or who is or was serving at the request of the Land Bank as a Director, officer, employee or agent of another Land Bank, partnership, joint venture, trust or other enterprise, against any liability asserted against him/her and incurred by him/her in any such capacity, or arising out of his or her status as such.

Sec. 5-572. - No Waiver of Governmental Immunity. No provision of the Ordinance is intended, nor shall it be construed, as a waiver by the City of any governmental immunity provided under any applicable law.

Sec. 5-573. - Severability of Provisions. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion thereof, shall not affect the validity of the remaining provisions of this Ordinance.

Sec. 5-574. - Captions and Headings. The captions, headings, and titles in this Ordinance are intended for the convenience of the reader and are not intended to have any substantive meaning or to be interpreted as part of this Ordinance.

Sec. 5-575. - Terminology. All terms and words used in this Ordinance, regardless of the number, are deemed to include any other number as the context may require.

Sec. 5-576. - Effective Date. This Ordinance shall become effective as of the date of approval below.

Section 2. This Ordinance shall be in full force and effect immediately after its passage.

PASSED BY THE CITY COUNCIL OF THE CITY OF PEORIA, ILLINOIS, this
11TH day of MAY, 2021.

APPROVED:

_____/S/ RITA ALI_____
Mayor

ATTEST:

_____/S/ STEFANIE TARR_____
City Clerk

EXAMINED AND APPROVED:

_____/S/ CHRISSIE L PETERSON_____
Corporation Counsel

**ORDINANCE NO. 17,847 WAS ADOPTED BY ROLL CALL VOTE OF 9 YEAS; 1 NAY
– KELLY.**