

Second Regular Session of the 121st General Assembly (2020)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2019 Regular Session of the General Assembly.

## SENATE ENROLLED ACT No. 230

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AN ACT to amend the Indiana Code concerning local government.

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

SECTION 1. IC 36-1-11-10.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: **Sec. 10.5. (a) This section applies only to property owned by a political subdivision that fronts and abuts real property assessed as commercial land under the real property assessment rules and guidelines of the department of local government finance. A disposing agent may proceed under this section in leasing the property.**

**(b) As used in this section, "property of the political subdivision" means real property owned by a political subdivision that extends from the curb or edge of a public street or roadway to the front of commercial property owned by a person. The term includes the following:**

- (1) A parkway strip, tree row, or verge.**
- (2) A sidewalk.**

**(c) A political subdivision may, by ordinance or resolution, authorize the lease of property of the political subdivision to the owner or property manager of the commercial property that abuts or fronts on the property:**

- (1) upon such terms as are agreed to between the political subdivision and the property owner or property manager, subject to subsection (d); and**

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- (2) without competitive bidding.**
- (d) The following apply to a lease executed under this section:**
  - (1) A lease may include an option to renew.**
  - (2) A lease may not include an option to purchase.**
  - (3) The property may not be leased to a person who is ineligible under section 16 of this chapter.**
  - (4) Property owned by a political subdivision may be leased for a term longer than three (3) years, if the lease is approved by the fiscal body of the political subdivision.**
  - (5) Upon execution of the lease, the property owner or property manager shall be responsible for the maintenance, control, and supervision of the property of the political subdivision, subject to the public's right to use a sidewalk on the property of the political subdivision as a walkway.**
  - (6) The lessee shall assume the liability of the political subdivision for personal injuries and property damage to third parties occurring on the property during the lease period. A lease shall be conditioned upon the lessee maintaining insurance coverage on the leased property for public liability and property damage in an amount determined sufficient by the political subdivision.**
  - (7) The lease must be recorded in the office of the recorder of the county where the property is located.**
- (e) A lease may not be entered into under this section unless the lease is authorized by an ordinance or resolution approved by at least a two-thirds (2/3) vote of the members of the fiscal body of the political subdivision.**



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President of the Senate

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President Pro Tempore

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Speaker of the House of Representatives

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

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