

ORDINANCE 2018 – 81

ADOPTING CHAPTER 125 OF THE CODIFIED ORDINANCES OF THE CITY OF MASON ESTABLISHING STANDARDS OF BEST PRACTICE FOR REAL PROPERTY TRANSACTIONS AND DECLARING AN EMERGENCY

WHEREAS, Council has determined that it is in the best interest of the Public, Council and the City of Mason to require Standards of Best Practice for the purchase or sale of real property in the City of Mason; and

WHEREAS, the Standards of Best Practice will provide to Council, Staff, and the Public transparency and information essential to ensure that conflicts of interest are disclosed and that the public is informed when appropriate so that open and fair discussion of property transactions may be discussed in public before such transactions are completed by the City; and

WHEREAS, City Council desires to codify such standards.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Mason, Ohio, seven members elected thereto concurring:

Section 1. That Chapter 125 of the Mason Codified Ordinances shall be adopted to read as provided in Exhibit A, attached hereto and incorporated herein by reference.

Section 2. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, and general welfare and shall be effective immediately upon its adoption. The reason for said declaration of emergency is the need to execute Standards of Best Practices for the purchase or sale of real property in the City of Mason.

Passed this 9<sup>th</sup> day of July, 2018.

\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
Clerk of Council

## CHAPTER 125: STANDARDS OF BEST PRACTICE FOR REAL PROPERTY TRANSACTIONS

### 125.01 PURPOSE.

Council has determined that it is in the best interest of the Public, Council and the City of Mason to require Standards of Best Practice for the purchase or sale of real property in the City of Mason. The Standards of Best Practice will provide to Council, Staff, and the Public transparency and information essential to ensure that conflicts of interest are disclosed and that the public is informed when appropriate so that open and fair discussion of property transactions may be discussed in public before such transactions are completed by the City.

### 125.02 GENERAL REQUIREMENTS.

Council shall be required to follow the Standards of Best Practice set forth in this Chapter before certain real property transactions are voted upon by Council. Such Standards of Best Practice may include certain disclosures by a sellers, buyers, Council members, and identified City employees and staff regarding real property transactions. The related disclosure forms, acknowledgments, verifications and documents provided for herein shall be used and completed whenever Council commences consideration of any real property acquisition, except as otherwise provided for in this Chapter.

### 125.03 SELLER INFORMATION.

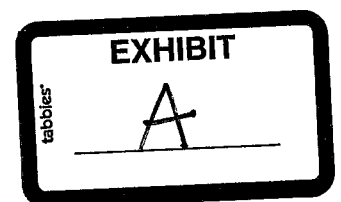
When Council is considering the purchase or sale of real property by Ordinance, the City Manager should request from the owner of a prospective purchase, the history of their interest in the real property for the previous 10 years. This should typically include:

- (a) Sales History
- (b) MLS or similar history
- (c) Any agents or trustees representing owner
- (d) Any beneficial owners with interest in the property or with a right to receive proceeds from the sale
- (e) Proof of ownership, original date and purchase price of the property
- (f) All persons, companies, corporations, entities, trusts, foundations, partnerships, and non-profit organizations of all types
- (g) Any shared business interests or pending transactions with Council members

### 125.04 BUYER INFORMATION.

The City Manager should request from any prospective buyer of real property from the City subject to this ordinance, information relative to:

- (a) Any shared business interests or pending transactions with Council members
- (b) Any shared property interest with Council members or staff
- (c) Other property purchased from the City within previous 10 years



#### **125.05 AFFIDAVIT REQUESTED.**

Failure of a prospective seller or prospective buyer to provide a sworn affidavit to the accuracy of the information provided will be disclosed to Council and may disqualify the purchase/sale from additional discussion by Council.

#### **125.06 DISCLOSURE OF INFORMATION.**

(a) The City Manager or Law Director should provide the information as described in this Chapter to Council and request from each Council member and staff member likely to participate in the purchase or sale process that they attest and provide a statement to identify any possible relationships based on the information provided by the sellers or buyers of the subject real property. Failure by a Council member to provide the signed statement will amount to them forfeiting their participation in executive session discussion concerning the property transaction.

(b) When commencing consideration of the purchase or sale of real property under this Chapter, Council members should review the disclosure forms submitted in order to be aware of the nature of any possible conflicts from other participating council members. As part of this review, council members may voluntarily abstain and remove themselves from the discussion, due to any concerns with conflict of interest.

(c) Council members may recommend, based on disclosures and discussion, that fellow council members should appropriately abstain. Failure to abstain under these circumstances can be publicly disclosed. It can also be noted during any subsequent votes to purchase or sell the property, and if a simple majority vote agrees, such failure to abstain will be considered willful failure to abide by the rules of the Council per Charter Section 11.04.

(d) All disclosures are public record and should be referenced publicly as part of any final legislation to purchase.

#### **125.07 LEGISLATIVE PROCESS**

(a) All legislative action related to the sale or purchase of real property shall state the following in the body of the ordinance: name of seller or purchaser, parcel address, purchase price, and material transaction terms.

(b) Council, by majority vote, must identify a specific, identifiable, and legitimate reason as part of any motion to suspend the rule requiring two readings of ordinances in order to allow for the adoption after a single reading.

**125.08 DISCLOSURE FORMS.**

The City Manager shall prepare forms to be used for the disclosures, acknowledgements, and verifications as described in this Chapter. Such completed forms shall be retained pursuant to the City's Records Retention Policy.

**125.09 EXEMPTIONS.**

The requirements of this Chapter shall not apply to the acquisition of real property when being acquired by appropriation pursuant to Chapter 163 of the Ohio Revised Code, or when real property is acquired by easement, dedication, donation, bequest, forfeiture, or right of entry.

**125.10 AMENDMENTS.**

Any amendments to this Chapter shall require a public hearing to be advertised in the same manner as other public hearings required by these Codified Ordinances.