

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 699

FINAL READING

Introduced by Mello, 5.

Read first time January 06, 2016

Committee: Urban Affairs

- 1 A BILL FOR AN ACT relating to the Nebraska Municipal Land Bank Act; to
- 2 amend sections 19-5205, 19-5210, and 19-5213, Revised Statutes
- 3 Cumulative Supplement, 2014; to change provisions relating to board
- 4 members, priorities for use of land, and reporting; and to repeal
- 5 the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 19-5205, Revised Statutes Cumulative Supplement,
2 2014, is amended to read:

3 19-5205 (1) If a land bank is created by a single municipality, the
4 board of such land bank shall meet the following requirements:

5 (a) The board shall consist of:

6 (i) Seven voting members appointed by the mayor of the municipality
7 that created the land bank and confirmed by a two-thirds vote of the
8 governing body of such municipality;

9 (ii) The planning director of the municipality that created the land
10 bank or his or her designee, as a nonvoting, ex officio member;~~and~~

11 (iii) One member of the governing body of the municipality that
12 created the land bank, appointed by such governing body, as a nonvoting,
13 ex officio member; and

14 (iv ~~iii~~) Such other nonvoting members as are appointed by the mayor
15 of the municipality that created the land bank;

16 (b) The seven voting members of the board shall be residents of the
17 municipality that created the land bank;

18 (c) If the governing body of the municipality creating the land bank
19 has any of its members elected by district or ward, then at least one
20 voting member of the board shall be appointed from each such district or
21 ward. Such voting members shall represent, to the greatest extent
22 possible, the racial and ethnic diversity of the municipality creating
23 the land bank;

24 (d) The seven voting members of the board shall have, collectively,
25 verifiable skills, expertise, and knowledge in market-rate and affordable
26 residential, commercial, industrial, and mixed-use real estate
27 development, financing, law, purchasing and sales, asset management,
28 economic and community development, and the acquisition of tax sale
29 certificates;~~and~~

30 (e) The seven voting members of the board shall include:

31 (i) At least one member representing a chamber of commerce ~~realtors~~;

1 (ii) At least one member with experience in representing the banking
2 industry;

3 (iii) At least one member with experience in representing real
4 estate development developers;

5 (iv) At least one member with experience as a realtor representing a
6 chamber of commerce;

7 (v) At least one member with experience in representing a nonprofit
8 or corporation involved in affordable housing; and

9 (vi) At least one member with experience in large-scale representing
10 owners of multiple residential or commercial property rental; and
11 properties.

12 (f) A single voting member may satisfy more than one of the
13 requirements provided in subdivision (1)(e) of this section if he or she
14 has the required qualifications. It is not necessary that there be a
15 different member to fulfill each such requirement.

16 (2) If a land bank is created by more than one municipality pursuant
17 to an agreement under the Interlocal Cooperation Act, the board of such
18 land bank shall meet the following requirements:

19 (a) The board shall consist of:

20 (i) An odd number of voting members, totaling at least seven,
21 appointed by the mayors of the municipalities that created the land bank,
22 as mutually agreed to by such mayors, and confirmed by a two-thirds vote
23 of the governing body of each municipality that created the land bank;

24 (ii) The planning director of each municipality that created the
25 land bank or his or her designee, as nonvoting, ex officio members; ~~and~~

26 (iii) One member of the governing body of each municipality that
27 created the land bank, appointed by the governing body on which such
28 member serves, as nonvoting, ex officio members; and

29 (iv ~~iii~~) Such other nonvoting members as are appointed by the mayors
30 of the municipalities that created the land bank, as mutually agreed to
31 by such mayors;

1 (b) Each voting member of the board shall be a resident of one of
2 the municipalities that created the land bank, with at least one voting
3 member appointed from each such municipality;

4 (c) If the governing body of the largest municipality creating the
5 land bank has any of its members elected by district or ward, then at
6 least one voting member of the board shall be appointed from each such
7 district or ward. Such voting members shall represent, to the greatest
8 extent possible, the racial and ethnic diversity of the largest
9 municipality creating the land bank;

10 (d) The voting members of the board shall have, collectively,
11 verifiable skills, expertise, and knowledge in market-rate and affordable
12 residential, commercial, industrial, and mixed-use real estate
13 development, financing, law, purchasing and sales, asset management,
14 economic and community development, and the acquisition of tax sale
15 certificates;~~and~~

16 (e) The voting members of the board shall include:

17 (i) At least one member representing a chamber of commerce ~~realtors~~;

18 (ii) At least one member with experience in ~~representing the banking~~
19 ~~industry~~;

20 (iii) At least one member with experience in ~~representing real~~
21 ~~estate development developers~~;

22 (iv) At least one member with experience as a realtor ~~representing a~~
23 ~~chamber of commerce~~;

24 (v) At least one member with experience in ~~representing a nonprofit~~
25 ~~or corporation involved in~~ affordable housing; and

26 (vi) At least one member with experience in large-scale ~~representing~~
27 ~~owners of multiple~~ residential or commercial property rental; ~~and~~
28 ~~properties~~.

29 (f) A single voting member may satisfy more than one of the
30 requirements provided in subdivision (2)(e) of this section if he or she
31 has the required qualifications. It is not necessary that there be a

1 different member to fulfill each such requirement.

2 (3) The members of the board shall select annually from among
3 themselves a chairperson, a vice-chairperson, a treasurer, and such other
4 officers as the board may determine.

5 (4) A public official or public employee shall be eligible to be a
6 member of the board.

7 (5) A vacancy on the board among the appointed board members shall
8 be filled in the same manner as the original appointment.

9 (6) Board members shall serve without compensation.

10 (7) The board shall meet in regular session according to a schedule
11 adopted by the board and shall also meet in special session as convened
12 by the chairperson or upon written notice signed by a majority of the
13 voting members. The presence of a majority of the voting members of the
14 board shall constitute a quorum.

15 (8) Except as otherwise provided in subsections (9) and (11) of this
16 section and in sections 19-5210 and 19-5214, all actions of the board
17 shall be approved by the affirmative vote of a majority of the voting
18 members present and voting.

19 (9) Any action of the board on the following matters shall be
20 approved by a majority of the voting members:

21 (a) Adoption of bylaws and other rules and regulations for conduct
22 of the land bank's business;

23 (b) Hiring or firing of any employee or contractor of the land bank.
24 This function may, by majority vote of the voting members, be delegated
25 by the board to a specified officer or committee of the land bank, under
26 such terms and conditions, and to the extent, that the board may specify;

27 (c) The incurring of debt;

28 (d) Adoption or amendment of the annual budget; and

29 (e) Sale, lease, encumbrance, or alienation of real property,
30 improvements, or personal property with a value of more than fifty
31 thousand dollars.

1 (10) Members of a board shall not be liable personally on the bonds
2 or other obligations of the land bank, and the rights of creditors shall
3 be solely against such land bank.

4 (11) The board shall adopt policies and procedures to specify the
5 conditions that must be met in order for the land bank to give an
6 automatically accepted bid as authorized in sections 19-5217 and 19-5218.
7 The adoption of such policies and procedures shall require the approval
8 of two-thirds of the voting members of the board. At a minimum, such
9 policies and procedures shall ensure that the automatically accepted bid
10 shall only be given for one of the following reasons:

11 (a) The real property substantially meets more than one of the
12 following criteria as determined by two-thirds of the voting members of
13 the board:

14 (i) The property is not occupied by the owner or any lessee or
15 licensee of the owner;

16 (ii) There are no utilities currently being provided to the
17 property;

18 (iii) Any buildings on the property have been deemed unfit for human
19 habitation, occupancy, or use by local housing officials;

20 (iv) Any buildings on the property are exposed to the elements such
21 that deterioration of the building is occurring;

22 (v) Any buildings on the property are boarded up;

23 (vi) There have been previous efforts to rehabilitate any buildings
24 on the property;

25 (vii) There is a presence of vermin, uncut vegetation, or debris
26 accumulation on the property;

27 (viii) There have been past actions by the municipality to maintain
28 the grounds or any building on the property; or

29 (ix) The property has been out of compliance with orders of local
30 housing officials;

31 (b) The real property is contiguous to a parcel that meets more than

1 one of the criteria in subdivision (11)(a) of this section or that is
2 already owned by the land bank; or

3 (c) Acquisition of the real property by the land bank would serve
4 the best interests of the community as determined by two-thirds of the
5 voting members of the board. In determining whether the acquisition would
6 serve the best interests of the community, the board shall take into
7 consideration the hierarchical ranking of priorities for the use of real
8 property conveyed by a land bank established pursuant to subsection (5)
9 of section 19-5210, if any such hierarchical ranking is established.

10 Sec. 2. Section 19-5210, Revised Statutes Cumulative Supplement,
11 2014, is amended to read:

12 19-5210 (1) A land bank shall hold in its own name all real property
13 acquired by the land bank irrespective of the identity of the transferor
14 of such property.

15 (2) A land bank shall maintain and make available for public review
16 and inspection an inventory of all real property held by the land bank.

17 (3) A land bank shall determine and set forth in policies and
18 procedures of the board the general terms and conditions for
19 consideration to be received by the land bank for the transfer of real
20 property and interests in real property, which consideration may take the
21 form of monetary payments and secured financial obligations, covenants
22 and conditions related to the present and future use of the property,
23 contractual commitments of the transferee, and such other forms of
24 consideration as determined by the board to be in the best interest of
25 the land bank.

26 (4) A land bank may convey, exchange, sell, transfer, grant, release
27 and demise, pledge, and hypothecate any and all interests in, upon, or to
28 real property of the land bank. A land bank may lease as lessor real
29 property of the land bank for a period not to exceed twelve months,
30 except that such twelve-month limitation shall not apply if the real
31 property of the land bank is subject to a lease with a remaining term of

1 more than twelve months at the time such real property is acquired by the
2 land bank.

3 (5) The municipality or municipalities that created the land bank
4 may establish by resolution or ordinance a hierarchical ranking of
5 priorities for the use of real property conveyed by a land bank. Such
6 ranking shall take into consideration the highest and best use that, when
7 possible, will bring the greatest benefit to the community. The
8 priorities may include, but are not limited to, (a) use for purely public
9 spaces and places, (b) use for affordable housing, (c) use for retail,
10 commercial, and industrial activities, (d) use for urban agricultural
11 activities including the establishment of community gardens as defined in
12 section 2-303, and (e) such other uses and in such hierarchical order
13 as determined by the municipality or municipalities.

14 (6) The municipality or municipalities that created the land bank
15 may require by resolution or ordinance that any particular form of
16 disposition of real property, or any disposition of real property located
17 within specified jurisdictions, be subject to specified voting and
18 approval requirements of the board. Except and unless restricted or
19 constrained in this manner, the board may delegate to officers and
20 employees the authority to enter into and execute agreements, instruments
21 of conveyance, and all other related documents pertaining to the
22 conveyance of real property by the land bank.

23 Sec. 3. Section 19-5213, Revised Statutes Cumulative Supplement,
24 2014, is amended to read:

25 19-5213 (1) The board shall cause minutes and a record to be kept of
26 all its proceedings. Meetings of the board shall be subject to the Open
27 Meetings Act.

28 (2) All of a land bank's records and documents shall be considered
29 public records for purposes of sections 84-712 to 84-712.09.

30 (3) The board shall provide monthly reports to the municipality or
31 municipalities that created the land bank on the board's activities

1 pursuant to the Nebraska Municipal Land Bank Act. The board shall also
2 provide an annual report to the municipality or municipalities that
3 created the land bank, ~~and to the Revenue Committee of the Legislature,~~
4 ~~and the Urban Affairs Committee of the Legislature~~ by ~~March 1~~ ~~December 31~~
5 of each year summarizing the board's activities for the prior calendar
6 year. The reports ~~report~~ submitted to the legislative committees Revenue
7 ~~Committee~~ shall be submitted electronically.

8 Sec. 4. Original sections 19-5205, 19-5210, and 19-5213, Revised
9 Statutes Cumulative Supplement, 2014, are repealed.