

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 699**

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) Such other nonvoting members as are appointed by the mayor of  
12 the municipality that created the land bank;

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

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

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

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

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

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

31 (iii) At least one member with experience in representing real

1 estate development developers;

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

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

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

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

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

16 (a) The board shall consist of:

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

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

23 (iii) Such other nonvoting members as are appointed by the mayors of  
24 the municipalities that created the land bank, as mutually agreed to by  
25 such mayors;

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

29 (c) If the governing body of the largest municipality creating the  
30 land bank has any of its members elected by district or ward, then at  
31 least one voting member of the board shall be appointed from each such

1 district or ward. Such voting members shall represent, to the greatest  
2 extent possible, the racial and ethnic diversity of the largest  
3 municipality creating the land bank;

4 (d) The voting members of the board shall have, collectively,  
5 verifiable skills, expertise, and knowledge in market-rate and affordable  
6 residential, commercial, industrial, and mixed-use real estate  
7 development, financing, law, purchasing and sales, asset management,  
8 economic and community development, and the acquisition of tax sale  
9 certificates;~~and~~

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

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

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

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

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

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

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

23 (f) A single voting member may satisfy more than one of the  
24 requirements provided in subdivision (2)(e) of this section if he or she  
25 has the required qualifications. It is not necessary that there be a  
26 different member to fulfill each such requirement.

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

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

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

3           (6) Board members shall serve without compensation.

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

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

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

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

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

21           (c) The incurring of debt;

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

23           (e) Sale, lease, encumbrance, or alienation of real property,  
24 improvements, or personal property with a value of more than fifty  
25 thousand dollars.

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

29           (11) The board shall adopt policies and procedures to specify the  
30 conditions that must be met in order for the land bank to give an  
31 automatically accepted bid as authorized in sections 19-5217 and 19-5218.

1 The adoption of such policies and procedures shall require the approval  
2 of two-thirds of the voting members of the board. At a minimum, such  
3 policies and procedures shall ensure that the automatically accepted bid  
4 shall only be given for one of the following reasons:

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

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

10 (ii) There are no utilities currently being provided to the  
11 property;

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

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

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

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

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

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

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

25 (b) The real property is contiguous to a parcel that meets more than  
26 one of the criteria in subdivision (11)(a) of this section or that is  
27 already owned by the land bank; or

28 (c) Acquisition of the real property by the land bank would serve  
29 the best interests of the community as determined by two-thirds of the  
30 voting members of the board. In determining whether the acquisition would  
31 serve the best interests of the community, the board shall take into

1 consideration the hierarchical ranking of priorities for the use of real  
2 property conveyed by a land bank established pursuant to subsection (5)  
3 of section 19-5210, if any such hierarchical ranking is established.

4 Sec. 2. Section 19-5210, Revised Statutes Cumulative Supplement,  
5 2014, is amended to read:

6 19-5210 (1) A land bank shall hold in its own name all real property  
7 acquired by the land bank irrespective of the identity of the transferor  
8 of such property.

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

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

20 (4) A land bank may convey, exchange, sell, transfer, grant, release  
21 and demise, pledge, and hypothecate any and all interests in, upon, or to  
22 real property of the land bank. A land bank may lease as lessor real  
23 property of the land bank for a period not to exceed twelve months,  
24 except that such twelve-month limitation shall not apply if the real  
25 property of the land bank is subject to a lease with a remaining term of  
26 more than twelve months at the time such real property is acquired by the  
27 land bank.

28 (5) The municipality or municipalities that created the land bank  
29 may establish by resolution or ordinance a hierarchical ranking of  
30 priorities for the use of real property conveyed by a land bank. Such  
31 ranking shall take into consideration the highest and best use that, when

1 possible, will bring the greatest benefit to the community. The  
2 priorities may include, but are not limited to, (a) use for purely public  
3 spaces and places, (b) use for affordable housing, (c) use for retail,  
4 commercial, and industrial activities, (d) use for urban agricultural  
5 activities including the establishment of community gardens as defined in  
6 section 2-303, and (e) such other uses and in such hierarchical order  
7 as determined by the municipality or municipalities.

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

17 Sec. 3. Section 19-5213, Revised Statutes Cumulative Supplement,  
18 2014, is amended to read:

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

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

24 (3) The board shall provide monthly reports to the municipality or  
25 municipalities that created the land bank on the board's activities  
26 pursuant to the Nebraska Municipal Land Bank Act. The board shall also  
27 provide an annual report to the municipality or municipalities that  
28 created the land bank, ~~and to the Revenue Committee of the Legislature,~~  
29 and the Urban Affairs Committee of the Legislature by March 1 ~~December 31~~  
30 of each year summarizing the board's activities for the prior calendar  
31 year. The reports ~~report~~ submitted to the legislative committees Revenue



1 ~~Committee~~ shall be submitted electronically.

2       Sec. 4. Original sections 19-5205, 19-5210, and 19-5213, Revised

3 Statutes Cumulative Supplement, 2014, are repealed.