

# LAND BANKING FOR WYOMING

## *Reclaiming Vacant, Abandoned and Distressed Properties for Housing*

*Studies show simply cleaning and greening vacant lots can decrease gun-related violence by as much as 29%.*

*~Center for Community Progress*

### *What is a Land Bank?*

Land banks are public entities with unique governmental powers, created pursuant to state-enabling legislation, that are solely focused on converting problem properties into productive use according to local community goals.

Land banks commonly have special powers, including the ability to hold land tax-free, clear title, negotiate sales, convey property for other-than-monetary consideration, and lease for interim uses, to name a few. A land bank's effectiveness depends in part on an accurate assessment of the market and causes of problem properties as well as the barriers preventing a property from returning to productive use.

### **How does a county land bank acquire property?**

- Land banks can acquire property in a number of ways.
- The expedited tax foreclosure process.
- Lending institutions (including Fannie Mae) transfer low-value properties to the county land bank, sometimes providing funds for demolition.
- The Department of Housing and Urban Development transfers low-value properties to county land banks.
- Private individuals and probate estates no longer wanting the burden of owning worthless properties transfer land to the county land bank.

### **~ BENEFITS**

- Addresses blight
- Increase the number of low to moderate income units, i.e. workforce housing
- Leverages investment for economic growth
- Increase municipal revenue
- Stabilized the workforce
- Increases area property values
- Decreases municipal services expenses
- Improves quality of life, including community health outcomes

*Affordable housing of all types remains a top concern across the state year over year. A Land Bank and help reclaim VAD properties.*

## Example Legislation from Nebraska

### 1095 2020 Cumulative Supplement NEBRASKA MUNICIPAL LAND BANK ACT § 18-3403

#### Section

18-3408. Land bank; acquire property; limits; maintenance; accept transfer from land reutilization authority.

18-3409. Exemption from taxation.

18-3410. Land bank; hold property in own name; inventory; consideration for transfer of property; form; powers; priorities for use; limits on certain dispositions.

18-3411. Land bank; funding; real property taxes collected on conveyed property; allocation; notice to county treasurer; when required.

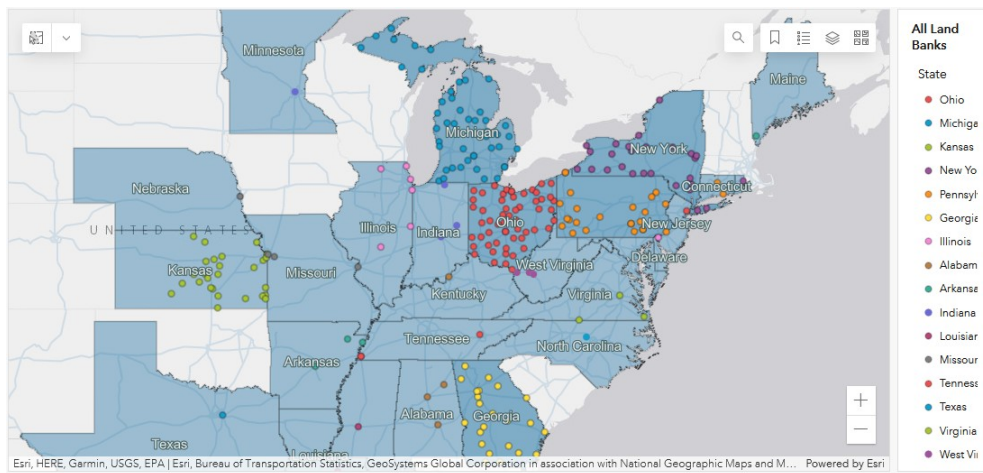
18-3412. Land bank; bonds; issuance; procedure; negotiable instruments; tax exempt; liability; termination of power to issue bonds.

18-3413. Board; minutes; record; meetings; public records; reports.

~Full detail attached~

Of the midwestern states with Lands, Ohio has 57, Michigan 47, Kansas, 27, Illinois 6, Missouri 3 and Minnesota and Nebraska each have one.

*~Less than 1% of the properties sold  
by the land bank in Flint, Michigan  
went through tax foreclosure again,  
compared to 57% of the properties sold  
at the public tax auction.*



## Section

- 18-3408. Land bank; acquire property; limits; maintenance; accept transfer from land reutilization authority.
- 18-3409. Exemption from taxation.
- 18-3410. Land bank; hold property in own name; inventory; consideration for transfer of property; form; powers; priorities for use; limits on certain dispositions.
- 18-3411. Land bank; funding; real property taxes collected on conveyed property; allocation; notice to county treasurer; when required.
- 18-3412. Land bank; bonds; issuance; procedure; negotiable instruments; tax exempt; liability; termination of power to issue bonds.
- 18-3413. Board; minutes; record; meetings; public records; reports.
- 18-3414. Land bank; dissolution; procedure; notice; assets.
- 18-3415. Conflicts of interest; board; duties.
- 18-3416. Taxes or special assessments; lien or claim; discharge and extinguishment; procedure; remit payments to county treasurer.
- 18-3417. Sale of property for nonpayment of taxes; land bank; power to bid; purchase of tax sale certificate; apply for tax deed or foreclose lien.
- 18-3418. Sale of property as part of foreclosure proceedings; land bank; powers.

**18-3401 Act, how cited.**

Sections 18-3401 to 18-3418 shall be known and may be cited as the Nebraska Municipal Land Bank Act.

**Source:** Laws 2013, LB97, § 1; R.S.Supp.,2018, § 19-5201; Laws 2020, LB424, § 1.

Effective date November 14, 2020.

**18-3402 Legislative findings and declarations.**

The Legislature finds and declares as follows:

(1) Nebraska's municipalities are important to the social and economic vitality of the state, and many municipalities are struggling to cope with vacant, abandoned, and tax-delinquent properties;

(2) Vacant, abandoned, and tax-delinquent properties represent lost revenue to municipalities and large costs associated with demolition, safety hazards, and the deterioration of neighborhoods;

(3) There is an overriding public need to confront the problems caused by vacant, abandoned, and tax-delinquent properties through the creation of new tools for municipalities to use to turn vacant spaces into vibrant places; and

(4) Land banks are one of the tools that can be utilized by municipalities to facilitate the return of vacant, abandoned, and tax-delinquent properties to productive use.

**Source:** Laws 2013, LB97, § 2; R.S.Supp.,2018, § 19-5202; Laws 2020, LB424, § 2.

Effective date November 14, 2020.

**18-3403 Terms, defined.**

For purposes of the Nebraska Municipal Land Bank Act:

(1) Board means the board of directors of a land bank;

(2) Chief executive officer means the mayor, city manager, or chairperson of the board of trustees of a municipality;

(3) Immediate family has the same meaning as in section 49-1425;

(4) Land bank means a land bank established in accordance with the act;

(5) Municipality means any city or village of this state; and

(6) Real property means lands, lands under water, structures, and any and all easements, air rights, franchises, and incorporeal hereditaments and every estate and right therein, legal and equitable, including terms for years and liens by way of judgment, mortgage, or otherwise, and any and all fixtures and improvements located thereon.

**Source:** Laws 2013, LB97, § 3; R.S.Supp.,2018, § 19-5203; Laws 2020, LB424, § 3.

Effective date November 14, 2020.

**18-3404 Creation of land bank; procedure; use of Interlocal Cooperation Act; join by agreement; goal of land bank.**

(1) A single municipality may create a land bank if the municipality is a city of the metropolitan class or city of the primary class. Such municipality shall create the land bank by the adoption of an ordinance which specifies the following:

(a) The name of the land bank;

(b) The initial individuals to serve as members of the board and the length of terms for which they are to serve; and

(c) The qualifications and terms of office of members of the board.

(2) Two or more municipalities may elect to enter into an agreement pursuant to the Interlocal Cooperation Act to create a single land bank to act on behalf of such municipalities, which agreement shall contain the information required by subsection (1) of this section.

(3) A municipality may elect to join an existing land bank by entering into an agreement pursuant to the Interlocal Cooperation Act with a city of the metropolitan class or city of the primary class that has created a land bank pursuant to subsection (1) of this section or by joining an existing agreement pursuant to the Interlocal Cooperation Act with the municipalities that formed a land bank pursuant to subsection (2) of this section. Agreements entered into or joined under this subsection shall contain the information required by subsection (1) of this section.

(4) Each land bank created pursuant to the Nebraska Municipal Land Bank Act shall be deemed to be a public corporation acting in a governmental capacity and a political subdivision of the state and shall have permanent and perpetual duration until terminated and dissolved in accordance with section 18-3414.

(5) The primary goal of any land bank shall be to facilitate the return of vacant, abandoned, and tax-delinquent properties to productive use.

**Source:** Laws 2013, LB97, § 4; R.S.Supp.,2018, § 19-5204; Laws 2020, LB424, § 4.

Effective date November 14, 2020.

**Cross References**

**Interlocal Cooperation Act**, see section 13-801.

**18-3405 Board; requirements; members; qualifications; vacancy; compensation; removal; meetings; actions of board; liability; automatically accepted bid procedure; reasons.**

(1) If a land bank is created by a single municipality pursuant to subsection (1) of section 18-3404, the board of such land bank shall meet the following requirements:

(a) The board shall consist of:

(i) Seven voting members appointed by the chief executive officer of the municipality that created the land bank and confirmed by a two-thirds vote of the governing body of such municipality; and

(ii) The following nonvoting members:

(A) The planning director of the municipality that created the land bank or his or her designee or, if there is no planning director, a person designated by the governing body of the municipality that created the land bank;

(B) One member of the governing body of the municipality that created the land bank, appointed by such governing body; and

(C) Such other nonvoting members as are appointed by the chief executive officer of the municipality that created the land bank and confirmed by a two-thirds vote of the governing body of such municipality;

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

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

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

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

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

(ii) At least one member with experience in banking;

(iii) At least one member with experience in real estate development;

(iv) At least one member with experience as a realtor;

(v) At least one member with experience in nonprofit or affordable housing; and

(vi) At least one member with experience in large-scale residential or commercial property rental; and

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

(2) If a land bank is created by more than one municipality pursuant to an agreement under the Interlocal Cooperation Act as described in subsection (2) or (3) of section 18-3404, the board of such land bank shall meet the following requirements:

(a) The board shall consist of:

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

(ii) The following nonvoting members:

(A) The planning director of each municipality that created the land bank or his or her designee or, if there is no planning director for any municipality that created the land bank, a person designated by the governing body of such municipality;

(B) One member of the governing body of each municipality that created the land bank, appointed by the governing body on which such member serves; and

(C) Such other nonvoting members as are appointed by the chief executive officers of the municipalities that created the land bank, as mutually agreed to by such chief executive officers, and confirmed by a two-thirds vote of the governing body of each municipality that created the land bank;

(b) Each voting member of the board shall be a resident of one of the municipalities that created the land bank. If a land bank is created by a city of the metropolitan class or a city of the primary class, at least one voting member of the board shall be appointed from each of the municipalities that created the land bank;

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

(d) The voting members of the board shall include:

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

(ii) At least one member with experience in banking;

(iii) At least one member with experience in real estate development;

(iv) At least one member with experience as a realtor;

(v) At least one member with experience in nonprofit or affordable housing; and

(vi) At least one member with experience in large-scale residential or commercial property rental; and

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

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

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

(5) A vacancy on the board among the appointed board members shall be filled not later than six months after the date of such vacancy in the same manner as the original appointment.

(6) Board members shall serve without compensation.

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

(8) Except as otherwise provided in this section and in sections 18-3410, 18-3417, and 18-3418, all actions of the board shall be approved by the affirmative vote of a majority of the voting members present and voting.

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

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

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

(c) The incurring of debt;

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

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

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

(11) The board of a land bank created by a city of the metropolitan class that borders a county in which at least three cities of the first class are located shall adopt policies and procedures to specify the conditions that must be met in order for such land bank to give an automatically accepted bid as authorized in sections 18-3417 and 18-3418. The adoption of such policies and procedures shall require the approval of two-thirds of the voting members of the board. At a minimum, such policies and procedures shall ensure that the automatically accepted bid shall only be given for one of the following reasons:

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

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

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

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

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

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

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

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

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

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

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

(c) Acquisition of the real property by the land bank would serve the best interests of the community as determined by two-thirds of the voting members of the board. In determining whether the acquisition would serve the best interests of the community, the board shall take into consideration the hierarchical ranking of priorities for the use of real property conveyed by a land bank established pursuant to subsection (5) of section 18-3410, if any such hierarchical ranking is established.

(12)(a) A member of the board may be removed for neglect of duty, misconduct in office, conviction of any felony, or other good cause as follows:

(i) In the case of a land bank created pursuant to subsection (1) of section 18-3404, a board member may be removed by the chief executive officer of the municipality that created the land bank after such removal has been approved by a two-thirds vote of the governing body of such municipality; or

(ii) In the case of a land bank created pursuant to subsection (2) or (3) of section 18-3404, a board member may be removed by the chief executive officer of the municipality where the member resides after such removal has been approved by a two-thirds vote of the governing body of such municipality.

(b) Such chief executive officer shall send a notice of removal to such board member, which notice shall set forth the charges against him or her. The member shall be deemed removed from office unless within ten days from the receipt of such notice he or she files a request for a hearing. Such request shall be filed with:

(i) In the case of a land bank created pursuant to subsection (1) of section 18-3404, the city clerk of the city that created the land bank; or

(ii) In the case of a land bank created pursuant to subsection (2) or (3) of section 18-3404, the city clerk or village clerk of the municipality where the member resides.

(c) If a request for hearing is so filed, the governing body of the municipality receiving the request shall hold a hearing not sooner than ten days after the date a hearing is requested, at which hearing the board member shall have the right to appear in person or by counsel and the governing body shall determine whether the removal shall be upheld. If the removal is not upheld by the governing body, the board member shall continue to hold his or her office.

**Source:** Laws 2013, LB97, § 5; Laws 2016, LB699, § 1; R.S.Supp., 2018, § 19-5205; Laws 2020, LB424, § 5; Laws 2020, LB1003, § 182.

**Note:** The Revisor of Statutes has pursuant to section 49-769 correlated LB424, section 5, with LB1003, section 182, to reflect all amendments.

**Note:** Changes made by LB424 became effective November 14, 2020. Changes made by LB1003 became operative November 14, 2020.

#### Cross References

**Interlocal Cooperation Act**, see section 13-801.



**18-3406 Agents and employees.**

A land bank may employ such agents and employees, permanent or temporary, as it may require, and may determine the qualifications and fix the compensation and benefits of such persons.

**Source:** Laws 2013, LB97, § 6; R.S.Supp.,2018, § 19-5206; Laws 2020, LB424, § 6.

Effective date November 14, 2020.

**18-3407 Land bank; powers; no power of eminent domain; no power to levy or receive revenue from property taxes.**

(1) A land bank shall have the following powers:

(a) To adopt, amend, and repeal bylaws for the regulation of its affairs and the conduct of its business;

(b) To sue and be sued in its own name and plead and be impleaded in all civil actions;

(c) To borrow money from private lenders, from municipalities, from the state, or from federal government funds as may be necessary for the operation and work of the land bank;

(d) To issue negotiable revenue bonds and notes according to the provisions of the Nebraska Municipal Land Bank Act, except that a land bank shall not issue any bonds on or after November 14, 2020;

(e) To procure insurance or guarantees from the state or federal government of the payments of any debts or parts thereof incurred by the land bank and to pay premiums in connection therewith;

(f) To enter into contracts and other instruments necessary, incidental, or convenient to the performance of its duties and the exercise of its powers, including, but not limited to, agreements under the Interlocal Cooperation Act for the joint administration of multiple land banks or the joint exercise of powers under the Nebraska Municipal Land Bank Act;

(g) To enter into contracts and other instruments necessary, incidental, or convenient to the performance of functions by the land bank on behalf of municipalities or agencies or departments of municipalities, or the performance by municipalities or agencies or departments of municipalities of functions on behalf of the land bank;

(h) To make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the land bank;

(i) To provide foreclosure prevention counseling and re-housing assistance;

(j) To procure insurance against losses in connection with the real property, assets, or activities of the land bank;

(k) To invest money of the land bank, at the discretion of the board, in instruments, obligations, securities, or property determined proper by the board and name and use depositories for its money, except that a land bank shall not invest its money in any instrument, obligation, security, or property in which a direct or indirect interest is held by a member of the board or an employee of the land bank, by a board member's or an employee's immediate family, or by a business or entity in which a board member or an employee has a financial interest;

(l) To enter into contracts for the management of, the collection of rent from, or the sale of real property of the land bank;

(m) To design, develop, construct, demolish, reconstruct, rehabilitate, renovate, relocate, and otherwise improve real property or rights or interests in real property of the land bank;

(n) To fix, charge, and collect fees and charges for services provided by the land bank;

(o) To fix, charge, and collect rents and leasehold payments for the use of real property of the land bank for a period not to exceed twelve months, except that such twelve-month limitation shall not apply if the real property of the land bank is subject to a lease with a remaining term of more than twelve months at the time such real property is acquired by the land bank;

(p) To grant or acquire a license, easement, lease, as lessor and as lessee, or option with respect to real property of the land bank;

(q) Except as provided in subsection (8) of section 18-3408, to enter into partnerships, joint ventures, and other collaborative relationships with municipalities and other public and private entities for the ownership, management, development, and disposition of real property; and

(r) To 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.

(2) A land bank shall neither possess nor exercise the power of eminent domain.

(3) A land bank shall not have the authority to (a) levy property taxes or (b) receive property tax revenue from a political subdivision pursuant to an agreement entered into under the Joint Public Agency Act.

**Source:** Laws 2013, LB97, § 7; R.S.Supp.,2018, § 19-5207; Laws 2020, LB424, § 7.

Effective date November 14, 2020.

#### Cross References

Interlocal Cooperation Act, see section 13-801.

Joint Public Agency Act, see section 13-2501.

### **18-3408 Land bank; acquire property; limits; maintenance; accept transfer from land reutilization authority.**

(1) A land bank may acquire real property or interests in real property by gift, devise, transfer, exchange, foreclosure, purchase, or otherwise on terms and conditions and in a manner the land bank considers proper.

(2) A land bank may acquire real property or interests in real property by purchase contracts, lease-purchase agreements, installment sales contracts, or land contracts and may accept transfers from political subdivisions upon such terms and conditions as agreed to by the land bank and the political subdivision. Notwithstanding any other law to the contrary, any political subdivision may transfer to the land bank real property and interests in real property of the political subdivision on such terms and conditions and according to such procedures as determined by the political subdivision.

(3) A land bank shall maintain all of its real property in accordance with the laws and ordinances of the jurisdiction in which the real property is located.

(4) A land bank shall not own or hold real property located outside the jurisdictional boundaries of the municipality or municipalities that created the

land bank. For purposes of this subsection, jurisdictional boundaries of a municipality does not include the extraterritorial zoning jurisdiction of such municipality.

(5) A land bank may accept transfers of real property and interests in real property from a land reutilization authority on such terms and conditions, and according to such procedures, as mutually determined by the transferring land reutilization authority and the land bank.

(6) A land bank shall not hold legal title at any one time to more than:

(a) Seven percent of the total number of parcels located in a city of the metropolitan class, and no more than ten percent of such parcels shall be zoned as commercial property;

(b) Three percent of the total number of parcels located in a city of the primary class, and no more than five percent of such parcels shall be zoned as commercial property;

(c) Five percent of the total number of parcels located in a city of the first class, and no more than five percent of such parcels shall be zoned as commercial property; or

(d) Ten percent of the total number of parcels located in a city of the second class or village, and no more than five percent of such parcels shall be zoned as commercial property.

(7) A land bank shall not acquire a parcel that is zoned as commercial property unless the parcel has been vacant for at least three years.

(8) Beginning on November 14, 2020, a land bank shall not enter into an agreement with any nonprofit corporation or other private entity for the purpose of temporarily holding real property for such nonprofit corporation or private entity, except that a land bank may enter into such an agreement for the purpose of providing clear title to such real property, but in no case shall such agreement exceed a term of one year.

**Source:** Laws 2013, LB97, § 8; R.S.Supp.,2018, § 19-5208; Laws 2020, LB424, § 8.  
Effective date November 14, 2020.

#### **18-3409 Exemption from taxation.**

The real property of a land bank and the land bank's income and operations are exempt from all taxation by the state or any political subdivision thereof.

**Source:** Laws 2013, LB97, § 9; R.S.Supp.,2018, § 19-5209; Laws 2020, LB424, § 9.  
Effective date November 14, 2020.

#### **18-3410 Land bank; hold property in own name; inventory; consideration for transfer of property; form; powers; priorities for use; limits on certain dispositions.**

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

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

(3) A land bank shall determine and set forth in policies and procedures of the board the general terms and conditions for consideration to be received by

the land bank for the transfer of real property and interests in real property, which consideration may take the form of monetary payments and secured financial obligations, covenants and conditions related to the present and future use of the property, contractual commitments of the transferee, and such other forms of consideration as determined by the board to be in the best interest of the land bank.

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

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

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

**Source:** Laws 2013, LB97, § 10; Laws 2016, LB699, § 2; R.S.Suppl., 2018, § 19-5210; Laws 2020, LB424, § 10.  
Effective date November 14, 2020.

**18-3411 Land bank; funding; real property taxes collected on conveyed property; allocation; notice to county treasurer; when required.**

(1) A land bank may receive funding through grants and loans from the municipality or municipalities that created the land bank, from other municipalities, from the state, from the federal government, and from other public and private sources.

(2) A land bank may receive and retain payments for services rendered, for rents and leasehold payments received, for consideration for disposition of real and personal property, for proceeds of insurance coverage for losses incurred, for income from investments, and for any other asset and activity lawfully permitted to a land bank under the Nebraska Municipal Land Bank Act.

(3)(a) Except as otherwise provided in subdivision (b) of this subsection, fifty percent of the real property taxes collected on real property conveyed by a land bank pursuant to the laws of this state shall be remitted to the land bank. Such allocation of property tax revenue shall commence with the first taxable year

following the date of conveyance and shall continue for a period of five years. Such allocation of property tax revenue shall not occur if such taxes have been divided under section 18-2147 as part of a redevelopment project under the Community Development Law, unless the authority, as defined in section 18-2103, enters into an agreement with the land bank for the remittance of such funds to the land bank.

(b) A land bank may, by resolution of the board, elect not to receive the real property taxes described in subdivision (a) of this subsection for any real property conveyed by the land bank. If such an election is made, the land bank shall notify the county treasurer of the county in which the real property is located by filing a copy of the resolution with the county treasurer, and thereafter the county treasurer shall remit such real property taxes to the appropriate taxing entities.

**Source:** Laws 2013, LB97, § 11; R.S.Supp.,2018, § 19-5211; Laws 2020, LB424, § 11.

Effective date November 14, 2020.

**Cross References**

**Community Development Law**, see section 18-2101.

**18-3412 Land bank; bonds; issuance; procedure; negotiable instruments; tax exempt; liability; termination of power to issue bonds.**

(1) Subject to subsection (7) of this section, a land bank shall have the power to issue bonds for any of its corporate purposes, the principal and interest of which are payable from its revenue generally. Any of such bonds shall be secured by a pledge of any revenue of the land bank or by a mortgage of any property of the land bank.

(2) The bonds issued by a land bank are hereby declared to have all the qualities of negotiable instruments under the Uniform Commercial Code.

(3) The bonds of a land bank and the income therefrom shall at all times be exempt from all taxes imposed by the state or any political subdivision thereof.

(4) Bonds issued by the land bank shall be authorized by resolution of the board and shall be limited obligations of the land bank. The principal and interest, costs of issuance, and other costs incidental thereto shall be payable solely from the income and revenue derived from the sale, lease, or other disposition of the assets of the land bank. Any refunding bonds issued shall be payable from any source described above or from the investment of any of the proceeds of the refunding bonds, and shall not constitute an indebtedness or pledge of the general credit of any municipality within the meaning of any constitutional or statutory limitation of indebtedness and shall contain a recital to that effect. Bonds of the land bank shall be issued in such form, shall be in such denominations, shall bear interest, shall mature in such manner, and shall be executed by one or more members of the board as provided in the resolution authorizing the issuance thereof. Such bonds may be subject to redemption at the option of and in the manner determined by the board in the resolution authorizing the issuance thereof.

(5) Bonds issued by the land bank shall be issued, sold, and delivered in accordance with the terms and provisions of a resolution adopted by the board. The board may sell such bonds in such manner, either at public or private sale, and for such price as it may determine to be in the best interests of the land

bank. The resolution issuing bonds shall be published in a newspaper of general circulation within the municipality or municipalities that created the land bank.

(6) Neither the members of the board nor any person executing the bonds shall be liable personally on any such bonds by reason of the issuance thereof. Such bonds or other obligations of a land bank shall not be a debt of any municipality and shall so state on their face, nor shall any municipality nor any revenue or any property of any municipality be liable therefor.

(7) A land bank shall not issue any bonds on or after November 14, 2020.

**Source:** Laws 2013, LB97, § 12; R.S.Supp.,2018, § 19-5212; Laws 2020, LB424, § 12.

Effective date November 14, 2020.

**Cross References**

**Uniform Commercial Code**, see section 1-101, Uniform Commercial Code.

**18-3413 Board; minutes; record; meetings; public records; reports.**

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

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

(3) The board shall provide monthly reports to the municipality or municipalities that created the land bank on the board's activities pursuant to the Nebraska Municipal Land Bank Act. The board shall also provide an annual report to the municipality or municipalities that created the land bank, the Speaker of the Legislature, the chairperson of the Executive Board of the Legislative Council, the Revenue Committee of the Legislature, and the Urban Affairs Committee of the Legislature by March 1 of each year summarizing the board's activities for the prior calendar year. The reports submitted to the Legislature shall be submitted electronically.

(4) The annual report required under subsection (3) of this section shall include, but not be limited to:

(a) A listing of each property owned by the land bank at the end of the prior calendar year, including how long each such property has been owned by the land bank and whether such property was acquired utilizing the automatically accepted bid under section 18-3417 or 18-3418;

(b) A list of entities and individuals who received more than two thousand five hundred dollars from the land bank in the prior calendar year;

(c) A list of financial institutions in which the land bank has deposited funds;

(d) The percentage of total parcels located in each municipality which are held by the land bank; and

(e) A statement certifying that all board members and employees of the land bank comply with the conflict of interest requirements in sections 18-3407 and 18-3415.

**Source:** Laws 2013, LB97, § 13; Laws 2016, LB699, § 3; R.S.Supp.,2018, § 19-5213; Laws 2020, LB424, § 13.

Effective date November 14, 2020.

**Cross References**

**Open Meetings Act**, see section 84-1407.

**18-3414 Land bank; dissolution; procedure; notice; assets.**

A land bank may be dissolved sixty calendar days after a resolution of dissolution is approved in accordance with this section. For a land bank created pursuant to subsection (1) of section 18-3404, the resolution of dissolution must be approved by two-thirds of the members of the governing body of the municipality that created the land bank. For a land bank created pursuant to subsection (2) or (3) of section 18-3404, the resolution of dissolution must be approved by a majority of the members of the governing body of each municipality that created the land bank. A governing body shall give sixty calendar days' advance written notice of its consideration of a resolution of dissolution by publishing such notice in a newspaper of general circulation within the municipality or municipalities that created the land bank and shall send such notice by certified mail to the trustee of any outstanding bonds of the land bank. Upon dissolution of the land bank, all real property, personal property, and other assets of the land bank shall become the assets of the municipality or municipalities that created the land bank.

**Source:** Laws 2013, LB97, § 14; R.S.Supp.,2018, § 19-5214; Laws 2020, LB424, § 14.  
Effective date November 14, 2020.

**18-3415 Conflicts of interest; board; duties.**

(1) No member of the board or employee of a land bank shall acquire any interest, direct or indirect, in real property of the land bank, in any real property to be acquired by the land bank, or in any real property to be acquired from the land bank. No member of the board or employee of a land bank shall have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used by a land bank. No member of the board or employee of a land bank shall have any interest, direct or indirect, in any investment of the land bank. The restrictions in this subsection shall also apply to a board member's or employee's immediate family and to any business or entity in which the board member or employee has a financial interest.

(2) The board shall adopt:

- (a) Rules addressing potential conflicts of interest; and
- (b) Ethical guidelines for members of the board and employees of the land bank.

**Source:** Laws 2013, LB97, § 15; R.S.Supp.,2018, § 19-5215; Laws 2020, LB424, § 15.  
Effective date November 14, 2020.

**18-3416 Taxes or special assessments; lien or claim; discharge and extinguishment; procedure; remit payments to county treasurer.**

(1) Whenever any real property is acquired by a land bank and is encumbered by a lien or claim for real property taxes or special assessments owed to one or more political subdivisions of the state, the land bank may, by resolution of the board, discharge and extinguish any and all such liens or claims, except that no lien or claim represented by a tax sale certificate held by a private third party shall be discharged or extinguished pursuant to this section. To the extent necessary and appropriate, the land bank shall file in appropriate public records evidence of the extinguishment and dissolution of such liens or claims.

(2) To the extent that a land bank receives payments of any kind attributable to liens or claims for real property taxes or special assessments owed to a political subdivision on property acquired by the land bank, the land bank shall remit the full amount of the payments to the county treasurer of the county that levied such taxes or special assessments for distribution to the appropriate taxing entity.

**Source:** Laws 2013, LB97, § 16; R.S.Supp.,2018, § 19-5216; Laws 2020, LB424, § 16.

Effective date November 14, 2020.

**18-3417 Sale of property for nonpayment of taxes; land bank; power to bid; purchase of tax sale certificate; apply for tax deed or foreclose lien.**

(1)(a) At any sale of real property for the nonpayment of taxes conducted pursuant to sections 77-1801 to 77-1863, a land bank may:

(i) Bid on such real property in an amount equal to the total amount of taxes, interest, and costs due on the real property. If a bid is given pursuant to this subdivision, the bid shall not receive any special treatment by the county treasurer and shall be accepted or rejected in the same manner as any other bid on such real property; or

(ii) If a land bank is created by a city of the metropolitan class that borders a county in which at least three cities of the first class are located and if approved by a two-thirds vote of the board, give an automatically accepted bid on such real property in an amount equal to the total amount of taxes, interest, and costs due on the real property. If an automatically accepted bid is given, it shall be accepted by the county treasurer regardless of any other bids on such real property. An automatically accepted bid may be given only if the conditions for making such a bid prescribed by the board pursuant to subsection (11) of section 18-3405 have been met.

(b) If a land bank's bid pursuant to subdivision (1)(a) of this section is accepted by the county treasurer, the land bank shall pay the county treasurer and shall be entitled to a tax sale certificate for such real property.

(2) If a county holds a tax sale certificate pursuant to section 77-1809, a land bank may purchase such tax sale certificate from the county by paying the county treasurer the amount expressed on the face of the certificate and interest thereon at the rate specified in section 45-104.01, as such rate may from time to time be adjusted by the Legislature, from the date the tax sale certificate was first issued to the county to the date such certificate was purchased by the land bank.

(3)(a) Subdivision (b) of this subsection applies until January 1, 2015. Subdivision (c) of this subsection applies beginning January 1, 2015.

(b) Within six months after the expiration of three years from the date of sale of real property for the nonpayment of taxes pursuant to sections 77-1801 to 77-1863, a land bank that has acquired a tax sale certificate for such real property under this section may:

(i) Apply to the county treasurer for a tax deed for the real property described in the tax sale certificate. A land bank applying for a tax deed shall comply with all the requirements of sections 77-1801 to 77-1863 relating to such tax deed; or

(ii) Foreclose the lien represented by the tax sale certificate as authorized in section 77-1902.



(c) Within nine months after the expiration of three years from the date of sale of real property for the nonpayment of taxes pursuant to sections 77-1801 to 77-1863, a land bank that has acquired a tax sale certificate for such real property under this section may:

- (i) Apply to the county treasurer for a tax deed for the real property described in the tax sale certificate. A land bank applying for a tax deed shall comply with all the requirements of sections 77-1801 to 77-1863 relating to such tax deed; or
- (ii) Foreclose the lien represented by the tax sale certificate as authorized in section 77-1902.

**Source:** Laws 2013, LB97, § 17; Laws 2014, LB851, § 1; R.S.Supp.,2018, § 19-5217; Laws 2020, LB424, § 17.  
Effective date November 14, 2020.

**18-3418 Sale of property as part of foreclosure proceedings; land bank; powers.**

(1)(a) At any sale of real property conducted as part of foreclosure proceedings under sections 77-1901 to 77-1941, a land bank may:

(i) Bid on such real property in an amount that the land bank would be willing to pay for such real property. If a bid is given pursuant to this subdivision, the bid shall not receive any special treatment by the sheriff conducting the sale and shall be accepted or rejected in the same manner as any other bid on such real property; or

(ii) If a land bank is created by a city of the metropolitan class that borders a county in which at least three cities of the first class are located and if approved by a two-thirds vote of the board, give an automatically accepted bid on such real property in an amount equal to the total amount of taxes, interest, and costs due on the real property. If an automatically accepted bid is given, it shall be accepted by the sheriff regardless of any other bids on such real property. An automatically accepted bid may be given only if the conditions for making such a bid prescribed by the board pursuant to subsection (11) of section 18-3405 have been met and only if the land bank has obtained written consent to the tender of an automatically accepted bid from the holder of a mortgage or the beneficiary or trustee under a trust deed giving rise to a lien against such real property. To obtain such written consent, the land bank shall send, by certified mail, a notice of its intent to make an automatically accepted bid to any such holder of a mortgage or beneficiary or trustee under a trust deed and shall request that written consent be given within thirty days. If no response is given within such thirty-day time period, such holder of a mortgage or beneficiary or trustee under a trust deed shall be deemed to have given written consent.

(b) If a land bank's bid pursuant to subdivision (1)(a) of this section is accepted by the sheriff, the land bank shall pay the sheriff and shall be entitled to a deed to the real property in accordance with sections 77-1901 to 77-1941.

(2) If a sheriff attempts to sell real property as part of foreclosure proceedings under sections 77-1901 to 77-1941, there is no bid given at such sale equal to the total amount of taxes, interest, and costs due thereon, and the real property being sold lies within a municipality that has created a land bank, then such land bank shall be deemed to have bid the total amount of taxes, interest, and costs due thereon and such bid shall be accepted by the sheriff. The land bank may then discharge and extinguish the liens for delinquent taxes

included in the foreclosure proceedings pursuant to section 18-3416. The land bank shall then be entitled to a deed to the real property in accordance with sections 77-1901 to 77-1941. If the acquisition of real property under this subsection would result in a land bank exceeding the total number of parcels that a land bank may hold legal title to pursuant to subsection (6) of section 18-3408, the acquisition of such property shall not be counted towards such limit.

**Source:** Laws 2013, LB97, § 18; R.S.Supp.,2018, § 19-5218; Laws 2020, LB424, § 18.  
Effective date November 14, 2020.