

AN ACT

relating to the urban land bank demonstration program in certain municipalities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 379C.005, Local Government Code, is amended to read as follows:

Sec. 379C.005. QUALIFIED PARTICIPATING DEVELOPER. To qualify to participate in an urban land bank demonstration program, a developer must:

(1) have built one ~~three~~ or more housing units within the three-year period preceding the submission of a proposal to the land bank seeking to acquire real property from the land bank;

(2) have a development plan approved by the municipality for the land bank property; and

(3) meet any other requirements adopted by the municipality in the urban land bank demonstration plan.

SECTION 2. Section 379C.009, Local Government Code, is amended by amending Subsection (b) and adding Subsections (b-1) and (b-2) to read as follows:

(b) Except as provided by Subsection (b-1), the ~~The~~ land bank must sell a property to a qualified participating developer within the four-year period following the date of acquisition for the purpose of construction of affordable housing for sale or rent

1 to low income households.

2 (b-1) Before the completion of the four-year period
3 described by Subsection (b), the land bank may, subject to Section
4 379C.0106:

5 (1) transfer property that the land bank determines is
6 not appropriate for residential development to the taxing units
7 described by Subsection (b); or

8 (2) sell property described by Subdivision (1) to a
9 political subdivision or a nonprofit organization.

10 (b-2) If after four years a qualified participating
11 developer has not purchased the property, the property shall be
12 transferred from the land bank to the taxing units who were parties
13 to the judgment for disposition as otherwise allowed under the law.

14 SECTION 3. Section 379C.0106(a), Local Government Code, is
15 amended to read as follows:

16 (a) In this section, "eligible adjacent property owner"
17 means a person who:

18 (1) owns property located adjacent to property owned
19 by the land bank; and

20 (2) ~~[has owned the adjacent property and continuously~~
21 ~~occupied that property as a primary residence for the two-year~~
22 ~~period preceding the date of the sale; and~~

23 ~~[(3)]~~ satisfies eligibility requirements adopted by
24 the land bank.

25 SECTION 4. Chapter 379C, Local Government Code, is amended
26 by adding Section 379C.014 to read as follows:

27 Sec. 379C.014. ADDITIONAL AUTHORIZED USE OF LAND BANK

1 PROPERTY. (a) Notwithstanding the other provisions of this
2 chapter, the land bank may sell property to a developer to allow the
3 construction of a grocery store that has at least 6,000 square feet
4 of enclosed space and that offers for sale fresh produce and other
5 food items for home consumption.

6 (b) To qualify to purchase property from the land bank under
7 this section, a developer is not required to be a qualified
8 participating developer but must obtain the municipality's
9 approval of a development plan for the land bank property and must
10 develop the property in accordance with the approved development
11 plan.

12 (c) A sale under this section within the four-year period
13 following the date of acquisition of the property by the land bank
14 satisfies the requirement under Section 379C.009(b) that the
15 property be sold within that period to a qualified participating
16 developer.

17 (d) The land bank may sell property as provided by this
18 section only after granting any rights of first refusal otherwise
19 required by this chapter, and any completed sale under this section
20 remains subject to the right of reverter provided by Section
21 379C.009(d).

22 SECTION 5. This Act takes effect September 1, 2013.

H.B. No. 2840

President of the Senate

Speaker of the House

I certify that H.B. No. 2840 was passed by the House on May 4, 2013, by the following vote: Yeas 118, Nays 11, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2840 on May 21, 2013, by the following vote: Yeas 81, Nays 64, 3 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2840 was passed by the Senate, with amendments, on May 17, 2013, by the following vote: Yeas 28, Nays 2.

Secretary of the Senate

APPROVED: _____

Date

Governor