

State of Arkansas

86th General Assembly

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A Bill

SENATE BILL 376

By: Senators Brown, Steele, Madison, Wilkins, Salmon

By: Representatives D. Johnson, Adcock, Webb, Allen, T. Baker, Chesterfield, Davis, J. Johnson,
Rainey, Overbey

For An Act To Be Entitled

THE ARKANSAS LAND BANK ACT.

Subtitle

THE ARKANSAS LAND BANK ACT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code Title 14, Chapter 169, is amended to add a new subchapter to read as follows:

14-169-1201. Title.

This subchapter shall be known and may be cited as the "Arkansas Land Bank Act".

14-169-1202. Purpose.

(a) It is the purpose of this subchapter to authorize and encourage cities of the first class to establish land banks to:

(1) Reverse urban blight;

(2) Assemble and convey real property; and

(3) Increase stability of property values.

(b) The goal to be achieved is to:

(1) Provide new housing, new industry, and jobs within the city;

(2) Eliminate the barriers to returning properties to productive use; and

(3) Increase tax revenue for the cities and school districts.



14-169-1203. Definitions.

As used in this subchapter:

(1) "City" means a city of the first class;

(2) "Land bank" means a land bank created by a city under the Public Facilities Boards Act, § 14-137-101 et seq.; and

(3) "Person" means a natural person and a legal entity.

14-169-1204. Powers and authority.

(a) When a city creates a land bank it may, in addition to other powers granted or authorized by the Public Facilities Boards Act, § 14-137-101 et seq., authorize the land bank to exercise the powers necessary to foster development, redevelopment, revitalization, or conservation of real property when necessary to:

(1) Eliminate unhealthy, unsanitary, or unsafe conditions;

(2) Eliminate uses detrimental to the public welfare;

(3) Otherwise remove or prevent the spread of blight or deterioration;

(4) Promote the ability of cities to increase home ownership, provide affordable housing, and preserve and improve the health of neighborhoods within the city; and

(5) Provide property for and enhance commerce, industry, and housing within the city.

(b) A city may assign to a land bank the city's authority to enforce its liens.

(c)(1) A land bank shall not have the power of eminent domain.

(2) Subdivision (c)(1) of this section shall not be constructed as limiting the eminent domain power of any city or entity of a city other than a land bank as defined in § 14-169-203.

14-169-1205. Required actions by land bank.

A land bank shall:

(1) Inventory all property acquired for its use and benefit and maintain the inventory as a public record;

(2) Require a prospective purchaser to submit a plan for the property of interest to the purchaser;

(3) Give consideration to any development plans on file with the

city; and

(4) Develop plans for the intended uses of its property.

14-169-1206. Approval of plan – Enforcement of agreement.

(a) A land bank shall not convey property until it approves a plan that includes:

(1) A time frame for developing the property under the plan; and

(2) Procedures for enforcing promises made in the plan.

(b) Upon agreement of the parties, a land bank may modify the plan and time frame after conveyance.

(c) If the property is not developed according to the plan or within the time frame, a land bank may act to enforce the agreement of the parties.

14-169-1207. Requirements for conveyance of property.

Prior to conveyance of its property, a land bank shall give consideration to the following issues:

(1) Whether the prospective purchaser has a pattern or practice of not paying fines resulting from a citation for violation of state laws or regulations or local codes and ordinances;

(2) Whether the prospective purchaser has a pattern or practice of not timely paying property taxes; and

(3) Whether the prospective purchaser was the prior owner of real property that was transferred to the Commissioner of State Lands as a result of tax delinquency during the preceding three (3) years.

SECTION 2. Arkansas Code § 14-54-302(b)(1) is amended to read as follows:

(b)(1)(A) Municipal corporations are also empowered and authorized to donate property, or any part thereof, and liens on property to:

(i) ~~the~~ The federal government or any agency thereof, for any one (1) or more of the following purposes, that is, having the real estate, personal property, or both, activated, reactivated, improved, or enlarged by the donee; or

(ii) A land bank created by the municipal corporation.

(B) The property may be used for any lawful purpose.