

1 A bill to be entitled
2 An act relating to municipal land banks; providing
3 definitions; authorizing one or more local governments
4 to create a land bank; specifying contents of an
5 ordinance or agreement to create a land bank;
6 specifying a land bank's legal status and primary
7 goal; requiring a land bank to have a board; providing
8 for membership, appointment, and terms of office;
9 providing for meetings; specifying duties of the
10 board; specifying types of property a land bank may
11 acquire with an automatically accepted bid;
12 authorizing a land bank to employ agents and
13 employees; specifying powers of a land bank;
14 specifying mechanisms for a land bank to acquire real
15 property or interests in real property; providing
16 requirements for the purchase, transfer, inspection of
17 records, and sale of real property held by a land
18 bank; authorizing one or more local governments that
19 created a land bank to establish a hierarchical
20 ranking of priorities for the use of real property
21 conveyed by a land bank; specifying mechanisms for a
22 land bank to receive funds; authorizing a land bank to
23 issue specified types of bonds and providing
24 requirements ; specifying legal liabilities related to
25 the issuance of bonds; providing recordkeeping

26 requirements; specifying mechanisms for dissolving a
 27 land bank; providing prohibited practices of board
 28 members and land bank employees; requiring the board
 29 to adopt specified rules and guidelines; providing
 30 directives for handling encumbered property;
 31 specifying procedures for tax certificate sales;
 32 authorizing automatically accepted bids under certain
 33 circumstances; providing a mechanism for a land bank
 34 to acquire real property that is auctioned off as part
 35 of a foreclosure; specifying when a land bank may
 36 apply for execution of a tax deed; providing an
 37 effective date.

38

39 Be It Enacted by the Legislature of the State of Florida:

40

41 Section 1. Municipal Land Bank Act.-

42 (1) For purposes of this act, the term:

43 (a) "Board" means the board of directors of a land bank.

44 (b) "Land bank" means an entity created by one more local
 45 governments as set forth in this section.

46 (c) "Local government" means a municipality or county.

47 (d) "Real property" means lands, lands under water,
 48 structures, and any and all easements, air rights, franchises,
 49 and incorporeal hereditaments and every estate and right
 50 therein, legal and equitable, including terms for years and

51 liens by way of judgment, mortgage, or otherwise, and any
52 fixtures and improvements located thereon.

53 (2) (a) A local government may create a land bank by
54 adopting an ordinance to act on behalf of the local government.
55 Two or more local governments may enter into an agreement to
56 create a single land bank to act on behalf of such local
57 governments. The ordinance or agreement must contain the
58 following:

59 1. The name of the land bank.

60 2. The names of the initial individuals who will serve as
61 members of the board, their qualifications, and the length of
62 terms for which they will serve.

63 (b) Each land bank is deemed to be a public corporation
64 acting in a governmental capacity and a political subdivision of
65 the state and has permanent and perpetual duration until
66 terminated and dissolved by the local government or local
67 governments that created the land bank.

68 (c) The primary goal of any land bank is to help return
69 vacant, abandoned, and tax delinquent properties to productive
70 use as affordable, transitional, or workforce housing.

71 (3) (a) A land bank created by a single local government by
72 ordinance, or a land bank created by more than one local
73 government by agreement, must have a board that consists of:

74 1. Seven voting members that have, collectively,
75 verifiable skills and knowledge in market rate and affordable

76 residential, commercial, industrial, and mixed-use real estate
77 development, financing, law, purchasing and sales, asset
78 management, economic and community development, and the
79 acquisition of tax sale certificates. If the land bank was
80 created by one local government, the members shall be appointed
81 by the local government. If the land bank was created by more
82 than one local government, the members shall be appointed by
83 agreement among the local governments.

84 2. The planning director of the local government or the
85 planning director of each of the local governments that created
86 the land bank as nonvoting, ex officio members.

87 3. Such other nonvoting members as appointed by the
88 executive head of the local government or as mutually agreed
89 upon by the local government or local governments that created
90 the land bank.

91 (b) Each voting member must be a resident of the local
92 government or local governments that created the land bank.

93 (c) The voting members shall represent, to the greatest
94 extent possible, the racial and ethnic diversity of the local
95 government or local governments that created the land bank.

96 (d) The seven voting members of the board must include:

97 1. At least one member representing realtors.

98 2. At least one member representing the banking industry.

99 3. At least one member representing real estate
100 developers.

101 4. At least one member representing a chamber of commerce.

102 5. At least one member representing a nonprofit
103 corporation involved in affordable housing.

104 6. At least one member representing owners of multiple
105 residential or commercial properties.

106 (4) (a) The members of the board shall select annually from
107 among themselves a chair, a vice chair, a treasurer, and such
108 other officers as the board may determine.

109 (b) A vacancy on the board shall be filled in the same
110 manner as the original appointment.

111 (c) Board members shall serve without compensation.

112 (d) The board must meet regularly according to a schedule
113 adopted by the board, at the call of the chair, or upon written
114 notice signed by a majority of the voting members. The presence
115 of a majority of the voting members of the board constitutes a
116 quorum.

117 (e) Except as otherwise specifically stated in this
118 section, actions of the board shall be approved by a majority
119 vote of the board present to vote when the action is taken.

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

123 (5) The board must adopt policies and procedures to
124 specify the conditions that must be met for the land bank to
125 make an automatically accepted bid as authorized in subsection

126 (16). The adoption of the policies and procedures requires
127 approval of two-thirds of the voting members of the board. At a
128 minimum, the policies and procedures must ensure that an
129 automatically accepted bid is only made for one of the following
130 reasons:

131 (a) The real property substantially meets more than one of
132 the following criteria:

133 1. The property is not occupied by the owner or any lessee
134 or licensee of the owner;

135 2. There are no utilities currently being provided to the
136 property;

137 3. Any buildings on the property have been deemed unfit
138 for human habitation, occupancy, or use by local housing
139 officials;

140 4. Any buildings on the property are exposed to the
141 elements such that deterioration of the building is occurring;

142 5. Any buildings on the property are boarded up;

143 6. There have been no previous efforts to rehabilitate any
144 buildings on the property;

145 7. There is a presence of vermin, uncut vegetation, or
146 debris accumulation on the property;

147 8. There have been past actions by the local government to
148 maintain the grounds or any buildings on the property; or

149 9. The property has been out of compliance with orders of
150 local housing officials;

151 (b) The real property is contiguous to a parcel that meets
 152 more than one of the criteria in paragraph (a) or a parcel that
 153 is already owned by the land bank; or

154 (c) Acquisition of the real property by the land bank
 155 would serve the best interests of the community. In determining
 156 whether the acquisition would serve the best interests of the
 157 community, the board must consider the hierarchical ranking of
 158 priorities for the use of real property conveyed by a land bank
 159 established pursuant to subsection (9), if any such hierarchical
 160 ranking is established.

161 (6) (a) A land bank may employ such agents and employees,
 162 permanent or temporary, as it may require, and may determine the
 163 qualifications and fix the compensation and benefits of those
 164 persons.

165 (b) A land bank may:

166 1. Adopt, amend, and repeal bylaws for the regulation of
 167 its affairs and the conduct of its business.

168 2. Sue and be sued in its own name.

169 3. Borrow money from the local government or local
 170 governments that created it, from any other local government,
 171 from the state, from the federal government, or from other
 172 public sources as may be necessary for its operation and work.

173 4. Issue negotiable revenue bonds and notes.

174 5. Procure insurance or guarantees from the state or the
 175 federal government of the payments of any debts or parts thereof

176 incurred by it and to pay premiums in connection therewith.

177 6. Enter into contracts and other instruments necessary,
178 incidental, or convenient to the performance of its duties and
179 the exercise of its powers.

180 7. Enter into contracts and other instruments necessary,
181 incidental, or convenient to the performance of its functions on
182 behalf of local governments or agencies or departments of local
183 governments or the performance by local governments or agencies
184 or departments of local governments of functions on its behalf.

185 8. Make and execute contracts and other instruments
186 necessary or convenient to the exercise of its powers.

187 9. Provide foreclosure prevention counseling and rehousing
188 assistance.

189 10. Procure insurance against losses in connection with
190 its real property, assets, or activities.

191 11. Invest its money, at the discretion of the board, in
192 instruments, obligations, securities, or property determined
193 proper by the board and name and use depositories for its money.

194 12. Enter into contracts for the management of, the
195 collection of rent from, or the sale of its real property.

196 13. Design, develop, construct, demolish, reconstruct,
197 rehabilitate, renovate, relocate, and otherwise improve its real
198 property or rights or interests in its real property.

199 14. Fix, charge, and collect fees and charges for the
200 provision of its services.

201 15. Fix, charge, and collect rents and leasehold payments
202 for the use of its real property for a period not to exceed 12
203 months, except that such 12-month limitation does not apply if
204 the real property of the land bank is subject to a lease with a
205 remaining term of more than 12 months at the time the land bank
206 acquires the real property.

207 16. Grant or acquire a license, easement, lease, as lessor
208 or lessee, or any option with respect to its real property.

209 17. Enter into partnerships, joint ventures, and other
210 collaborative relationships with local governments and other
211 public entities for the ownership, management, development, and
212 disposition of its real property.

213 (c) A land bank does not possess and may not exercise the
214 power of eminent domain.

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

219 (b) A land bank may acquire real property or interests in
220 real property by purchase contracts, lease-purchase agreements,
221 installment sales contracts, or land contracts and may accept
222 transfers from political subdivisions upon such terms and
223 conditions as agreed to by the land bank and the political
224 subdivision. Notwithstanding any other law to the contrary, a
225 political subdivision may transfer to the land bank real

226 property and interests in real property of the political
227 subdivision on such terms and conditions and according to such
228 procedures as determined by the political subdivision and in
229 accordance with law.

230 (c) A land bank must maintain its real property in
231 accordance with the laws and ordinances of the jurisdiction in
232 which the real property is located.

233 (d) A land bank may not own or hold real property located
234 outside the jurisdictional boundaries of the local government or
235 local governments that created the land bank. For purposes of
236 this paragraph, jurisdictional boundaries of a local government
237 does not include the extraterritorial zoning jurisdiction of a
238 local government.

239 (e) A land bank may not hold legal title at any one time
240 to more than 7 percent of the total number of parcels of real
241 property located in the local government or local governments
242 that created the land bank.

243 (f) The real property of a land bank and the land bank's
244 income and operations are exempt from taxation by the state or
245 any political subdivision.

246 (8) (a) A land bank shall hold in its own name all real
247 property acquired by the land bank irrespective of the identity
248 of the transferor of the real property.

249 (b) A land bank shall maintain and make available for
250 public review and inspection an inventory of all real property

251 held by the land bank.

252 (c) A land bank shall set forth in its policies and
253 procedures the general terms and conditions it will use when
254 considering the transfer of real property and interests in real
255 property. The land bank may consider monetary payments and
256 secured financial obligations, covenants and conditions related
257 to the present and future use of the real property, contractual
258 commitments of the transferee, and such other forms of
259 consideration as determined by the board to be in the best
260 interest of the land bank.

261 (d) A land bank may convey, exchange, sell, transfer,
262 grant, or release any interest related to the real property of
263 the land bank. A land bank may lease as lessor real property
264 of the land bank for a period not to exceed 12 months, except
265 that such 12-month limitation does not apply if the real
266 property of the land bank is subject to a lease with a remaining
267 term of more than 12 months at the time the land bank acquires
268 the real property.

269 (9) (a) The local government or local governments that
270 created the land bank may establish by resolution or ordinance a
271 hierarchical ranking of priorities for the use of real property
272 conveyed by a land bank. The ranking must take into
273 consideration the highest and best use of the real property and
274 that will bring the greatest benefit to the community. The
275 priorities may include:

276 1. Use for purely public spaces and places.

277 2. Use for affordable housing.

278 3. Use for retail, commercial, and industrial activities.

279 4. Such other uses and in such hierarchical order as
280 determined by the local government or local governments that
281 created the land bank.

282 (b) The local government or local governments that created
283 the land bank may require by resolution or ordinance that any
284 disposition of real property, or any disposition of real
285 property located within specified jurisdictions, be subject to
286 specified voting and approval requirements of the board. Except
287 and unless restricted or constrained in this manner, the board
288 may delegate to officers and employees the authority to enter
289 into and execute agreements, instruments of conveyance, and all
290 other related documents pertaining to the conveyance of real
291 property by the land bank.

292 (10) (a) A land bank may receive funding through grants or
293 loans from the local government or local governments that
294 created the land bank, from any other local government, from the
295 state, from the federal government, or from other public
296 sources.

297 (b) A land bank may receive and retain payments for
298 services rendered, for rents and leasehold payments received,
299 for consideration for disposition of real and personal property,
300 for proceeds of insurance coverage for losses incurred, for

301 income from investments, and for any other asset and lawful
302 activity.

303 (11) (a) A land bank may issue bonds for any corporate
304 purpose, the principal and interest of which are payable from
305 its revenue generally. Bonds shall be secured by a pledge of any
306 revenue of the land bank or by a mortgage of any property of the
307 land bank.

308 (b) Bonds issued by a land bank are deemed to have all of
309 the qualities of negotiable instruments under the Uniform
310 Commercial Code.

311 (c) Bonds of a land bank and the income therefrom are
312 exempt from all taxes imposed by the state or any political
313 subdivision.

314 (d) Bonds issued by the land bank must be authorized by
315 resolution of the board and shall be limited obligations of the
316 land bank. The principal and interest, costs of issuance, and
317 other costs incidental thereto are payable solely from the
318 income and revenue derived from the sale, lease, or other
319 disposition of the assets of the land bank. Any refunding bonds
320 issued are payable from any source described in this paragraph
321 or from the investment of any of the proceeds of the refunding
322 bonds, and do not constitute an indebtedness or pledge of the
323 general credit of any local government within the meaning of any
324 constitutional or statutory limitation of indebtedness and must
325 contain a recital to that effect. Bonds of the land bank shall

326 be issued in such form, shall be in such denominations, shall
327 bear such interest, shall mature in such manner, and shall be
328 executed by one or more members of the board as provided in the
329 resolution authorizing the issuance of the bonds. The bonds may
330 be subject to redemption at the option of and in the manner
331 determined by the board in the resolution authorizing the
332 issuance of those bonds.

333 (e) Bonds issued by the land bank shall be issued, sold,
334 and delivered in accordance with the terms and provisions of a
335 resolution adopted by the board. The board may sell such bonds
336 in such manner, either at public or private sale. The resolution
337 issuing bonds shall be published in a newspaper of general
338 circulation within the local government or local governments
339 that created the land bank.

340 (f) Neither the members of the boards nor any person
341 executing the bonds are liable personally on any such bonds by
342 reason of the issuance thereof. The bonds or other obligations
343 of a land bank are not a debt of any local government or local
344 governments that created the land bank and must state such on
345 their face and the revenue and the property of the local
346 government or local governments may not be used to pay off any
347 debt of the land bank.

348 (12) (a) The board shall cause minutes and a record to be
349 kept of all its proceedings. Meetings of the board are subject
350 to the applicable provisions of chapter 286, Florida Statutes.

351 (b) All of a land bank's records and documents are
352 considered public records.

353 (c) The board shall provide monthly reports to the local
354 government or local governments that created the land bank. The
355 board shall also provide an annual report to the local
356 government or local governments that created the land bank and
357 to the relevant substantive committees of the Legislature by
358 December 31 of each year summarizing the board's activities for
359 the year. The report submitted to the substantive committees
360 must be submitted electronically.

361 (13) A land bank may be dissolved 60 calendar days after a
362 resolution of dissolution is approved by two-thirds of the
363 governing body of the local government or local governments that
364 created the land bank. The board must provide 60 calendar days'
365 advance written notice of its consideration of a resolution of
366 dissolution by publishing such notice in a newspaper of general
367 circulation within the local government or local governments
368 that created the land bank and must send such notice by
369 certified mail to the trustee of any outstanding bonds of the
370 land bank. Upon dissolution of the land bank, all real property,
371 personal property, and other assets of the land bank shall
372 become the assets of the local government or local governments
373 that created the land bank.

374 (14) (a) A board member or land bank employee may not
375 acquire any interest, direct or indirect, in real property of

376 the land bank or in any real property to be acquired by or from
377 the land bank. A board member or land bank employee may not have
378 any interest, direct or indirect, in any contract or proposed
379 contract for materials or services to be furnished or used by a
380 land bank.

381 (b) A board member must comply with the provisions of s.
382 112.311, Florida Statutes, relating to potential conflicts of
383 interest.

384 (c) Notwithstanding the fact that a board member is not a
385 public officer or employee of an agency, a board member must
386 comply with the code of ethics requirements of s. 112.313(2),
387 (4), (5) and (6), Florida Statutes.

388 (15) (a) If a land bank acquires real property that is
389 encumbered by a lien or claim for real property taxes owed to
390 one or more political subdivisions, the land bank may, by
391 resolution of the board, discharge and extinguish such liens or
392 claims, except that a lien or claim represented by a tax sale
393 certificate held by a private third party may not be discharged
394 or extinguished under this paragraph.

395 (b) If a land bank receives payments of any kind
396 attributable to liens or claims for real property taxes owed to
397 one or more political subdivisions on property acquired by the
398 land bank, the land bank must remit the full amount of the
399 payments to the county that levied the taxes for distribution to
400 the appropriate taxing entity.

401 (16) (a) At any sale of real property for the nonpayment of
402 taxes conducted under chapter 197, Florida Statutes, a land bank
403 may:

404 1. Bid on the real property in an amount equal to the
405 total amount of taxes, interest, and costs due on the real
406 property. If a bid is made pursuant to this subsection, the bid
407 may not receive any special treatment by the tax collector and
408 must be accepted or rejected in the same manner as any other bid
409 on such real property; or

410 2. Make an automatically accepted bid on any real property
411 that meets more than one of the criteria is subsection (5) in an
412 amount equal to the total amount of taxes, interest, and costs
413 due on the real property. If an automatically accepted bid is
414 made, it shall be accepted by the sheriff regardless of any
415 other bids on such real property. An automatically accepted bid
416 may be made only if the land bank has obtained written consent
417 to make an automatically accepted bid from the holder of a
418 mortgage or the beneficiary or trustee under a trust deed giving
419 rise to a lien against such real property. To obtain such
420 written consent, the land bank shall send, by certified mail, a
421 notice of its intent to make an automatically accepted bid to
422 any such holder of a mortgage or beneficiary or trustee under a
423 trust deed and shall request that written consent be provided
424 within 30 days. If no response is provided within 30 days, such
425 holder of a mortgage or beneficiary or trustee under a trust

426 deed shall be deemed to have provided written consent.

427 (b) If any real property is auctioned off as part of any
428 foreclosure proceedings and no bid is made at such sale equal to
429 the total amount of taxes, interest, and costs due thereon, and
430 the real property being sold lies within a local government with
431 a land bank, the land bank shall be deemed to have bid the total
432 amount of taxes, interest, and costs due thereon and such bid
433 shall be accepted by the sheriff. The land bank may discharge
434 and extinguish the liens for delinquent taxes included in the
435 foreclosure proceedings and shall be entitled to a deed to the
436 real property.

437 (c) If a land bank's bid in subparagraph (a)1. is accepted
438 by the tax collector, the land bank must pay the tax collector
439 and is entitled to a tax sale certificate for the real property.

440 (d) Within 6 months after the expiration of 3 years from
441 the date of sale of real property for the nonpayment of taxes
442 under chapter 197, Florida Statutes, a land bank that acquired a
443 tax sale certificate for such real property may:

444 1. Apply to the tax collector for execution of a tax deed
445 for the real property described in the tax sale certificate. A
446 land bank applying for execution of a tax deed must comply with
447 the applicable provisions of chapter 197, Florida Statutes; or

448 2. Foreclose the lien represented by the tax sale
449 certificate.

450 Section 2. This act shall take effect July 1, 2021.