

## **BILL ANALYSIS**

Senate Research Center  
84R7437 JAM-F

H.B. 1289  
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Intergovernmental Relations  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The original goal of the Urban Land Bank Demonstration Program Act was to provide a legal process for municipalities to convert abandoned structures, vacant land, and tax-foreclosed properties into improved, privately held, taxable properties that meet certain public purposes. The City of Dallas has converted approximately 1,000 urban lots to taxable properties, producing affordable housing in neighborhoods near downtown, and beginning to revitalize many distressed neighborhoods near the urban core. In order to continue this success, these neighborhoods could benefit from commercial revitalization, which complements stable residential development. H.B. 1289 amends the existing urban land bank statute to permit the purchase and redevelopment of commercial property that has been abandoned or is subject to foreclosure.

H.B. 1289 amends current law relating to the acquisition and sale of unimproved real property by an urban land bank.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 379C.004(a), Local Government Code, to authorize the governing body of a municipality to adopt an urban land bank demonstration program in which the officer charged with selling real property ordered sold pursuant to foreclosure of a tax lien may sell certain eligible real property by private sale for affordable housing development or other purposes as provided by this chapter, rather than for purposes of affordable housing development as provided by this chapter.

SECTION 2. Amends Sections 379C.014(a) and (c), Local Government Code, as added by Chapter 1037 (H.B. 2840), Acts of the 83rd Legislature, Regular Session, 2013, as follows:

(a) Authorizes the land bank, notwithstanding the other provisions of this chapter, to acquire and sell to a developer property intended for commercial use.

Deletes existing text authorizing the land bank, notwithstanding the other provisions of this chapter, to sell property to a developer to allow the construction of a grocery store that has at least 6,000 square feet of enclosed space and that offers for sale fresh produce and other food items for home consumption.

(c) Provides that a sale under this section within the four-year period following the date of acquisition of the property by the land bank is for a public purpose and satisfies the requirement under Section 379C.009(b) (requiring the land bank to 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 to low income households with a certain exception) that the property be sold within the four-year period, rather than within that period, to a qualified participating developer.

SECTION 3. Effective date: upon passage or September 1, 2015.