

BILL ANALYSIS

Senate Research Center
83R19203 AJZ-D

H.B. 2840
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Intergovernmental Relations
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Periodic updates have been needed since the Dallas urban land bank statute was passed to allow more developers to participate in the program, to make it easier to return undeveloped land to the tax rolls, and to reduce land bank maintenance and administrative costs.

Specifically, H.B. 2840 reduces the required number of constructed housing units by a qualified participating developer from three to one; changes the definition of “eligible adjacent property owner” to include any owner of adjacent property; allows the transfer of non-suitable property to taxing entities prior to the four-year holding period; and allows property to be sold directly to a political subdivision or nonprofit organization.

H.B. 2840 amends current law relating to the urban land bank demonstration program in certain municipalities.

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.005, Local Government Code, to require a developer, to qualify to participate in an urban land bank demonstration program, to meet certain criteria, including having built one or more, rather than 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.

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

(b) Requires the land bank, except as provided by Subsection (b-1), 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.

(b-1) Authorizes the land bank, before the completion of the four-year period described by Subsection (b), to, subject to Section 379C.0106 (Property Determined to be Inappropriate for Residential Development: Right of First Refusal):

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

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

(b-2) Creates this subsection from existing text and makes no further change to this subsection.

SECTION 3. Amends Section 379C.0106(a), Local Government Code, to redefine "eligible adjacent property owner" in this section.

SECTION 4. Effective date: September 1, 2013.