

Senate Bill No. 579

(By Senators Unger, Cookman, Edgell, Laird, Miller, Palumbo,
Snyder, Stollings and Kessler (Mr. President))

[Introduced February 14, 2014; referred to the
Committee on the Judiciary.]

A BILL to amend the Code of West Virginia, 1931, as amended, by
adding thereto a new article, designated §31-18E-1, §31-18E-2,
§31-18E-3, §31-18E-4, §31-18E-5, §31-18E-6, §31-18E-7,
§31-18E-8, §31-18E-9, §31-18E-10, §31-18E-11, §31-18E-12,
§31-18E-13, §31-18E-14, §31-18E-15, §31-18E-16, §31-18E-17,
§31-18E-18 and §31-18E-19, all relating to improving housing
development and land use; authorizing land banking by West
Virginia municipalities, counties or a combination thereof;
stating legislative findings; defining terms; providing
requirements for the permissive creation and operation of land
bank entities; detailing certain requirements for a land bank
board and staff; requiring certain terms of the land bank be
set forth; providing certain immunity to land bank
jurisdictions; setting forth powers and limitations of land
bank entities; explicitly stating that land bank entities do

1 not have the power of eminent domain; detailing criteria for
2 acquisition and disposition of property by land bank entities;
3 authorizing certain land bank-related property as exempt from
4 property tax; stating land bank funding sources; stating
5 requirements and constraints on disposition of property;
6 detailing potential financing of land bank operations;
7 permitting special allocation of certain property taxes in
8 certain situations; authorizing the issuance of certain bonds;
9 requiring land bank entities to follow open meetings and
10 freedom of information requirements; providing a process for
11 dissolution of land banks; requiring the Ethics Act to apply
12 to land bank employees and board members; providing for
13 liberal construction of the article; providing process to
14 discharge tax liens and claims; stating a policy to protect
15 low-income, owner-occupant households; providing for expedited
16 quiet of title proceedings in circuit court; and requiring an
17 annual audit and report of all land banks.

18 *Be it enacted by the Legislature of West Virginia:*

19 That the Code of West Virginia, 1931, as amended, be amended
20 by adding thereto a new article, designated §31-18E-1, §31-18E-2,
21 §31-18E-3, §31-18E-4, §31-18E-5, §31-18E-6, §31-18E-7, §31-18E-8,
22 §31-18E-9, §31-18E-10, §31-18E-11, §31-18E-12, §31-18E-13,
23 §31-18E-14, §31-18E-15, §31-18E-16, §31-18E-17, §31-18E-18 and
24 §31-18E-19, all to read as follows:

1 **ARTICLE 18E. WEST VIRGINIA LAND BANKING AUTHORIZATION.**

2 **§31-18E-1. Short Title.**

3 This article may be known and cited as the "West Virginia Land
4 Banking Authorization Act."

5 **§31-18E-2. Legislative findings.**

6 The Legislature finds and declares that:

7 (1) Strong communities are important to the social and
8 economic vitality of this state. Whether urban, suburban or rural,
9 many communities are struggling to cope with vacant, abandoned and
10 tax-delinquent properties.

11 (2) Citizens of this state are affected adversely by vacant,
12 abandoned and tax-delinquent properties, including properties which
13 have been vacated or abandoned due to mortgage foreclosure.

14 (3) Vacant, abandoned and tax-delinquent properties impose
15 significant costs on neighborhoods, communities, municipalities and
16 counties by lowering property values, increasing fire and police
17 protection costs, decreasing tax revenues and undermining community
18 cohesion.

19 (4) Vacant, abandoned and tax-delinquent properties contribute
20 to blight, invite crime and pests and provide unsafe play spaces.

21 (5) There is an overriding public need to confront the
22 problems caused by vacant, abandoned and tax-delinquent properties
23 through the creation of new tools to enable municipalities and
24 counties to turn vacant, abandoned and tax-delinquent spaces into

1 vibrant places.

2 (6) Land banks are one of the tools that municipalities and
3 counties may use to facilitate the return of vacant, abandoned and
4 tax-delinquent properties to productive use.

5 **§31-18E-3. Definitions.**

6 As used in this article:

7 (1) "Board" means the board of directors of a land bank;

8 (2) "Deconstruct" means to attempt to remove salvageable
9 pieces of a housing unit prior to or as part of demolition or
10 renovation;

11 (3) "Financial institution" means a bank, savings association,
12 operating subsidiary of a bank or savings association, credit
13 union, association licensed to originate mortgage loans or an
14 assignee of a mortgage or note originated by such an institution;

15 (4) "Land bank" means a public body established under this
16 chapter;

17 (5) "Land bank jurisdiction" means: (A) A county or
18 municipality in this state; or (B) two or more municipalities or
19 counties that enter into an intergovernmental cooperation agreement
20 to establish and maintain a land bank;

21 (6) "Low income" means a household with total income at or
22 below eighty percent of the area median income, adjusted for
23 household size, as defined annually by the United States Department
24 of Housing and Urban Development;

1 (7) "Municipality" means a municipality as defined in section
2 two, article one, chapter eight of this code;

3 (8) "Owner-occupant" means a natural person with a legal or
4 equitable ownership interest in property which was the primary
5 residence of the person for at least three consecutive months at
6 any point in the year preceding the date of initial delinquency;
7 and

8 (9) "Real property" means all lands, including improvements
9 and fixtures on them and property of any nature appurtenant to them
10 or used in connection with them and every estate, interest and
11 right, legal or equitable, in them, including terms of years and
12 liens by way of judgment, mortgage or otherwise, and indebtedness
13 secured by the liens.

14 **§31-18E-4. Creation and existence.**

15 (a) *Authority.*--A land bank jurisdiction may elect to create
16 a land bank by the adoption of an ordinance to create a binding
17 legal obligation. The ordinance must specify the type of entity
18 created and the following:

19 (1) The name of the land bank;

20 (2) The number of members of the board;

21 (3) The names of individuals to serve as initial members of
22 the board;

23 (4) The qualifications, manner of selection or appointment and
24 terms of office of members of the board;

1 (5) The manner by which residents will be provided an
2 opportunity to have input into the land bank decision-making
3 process;

4 (6) Policies regarding former owner-occupants who are
5 occupying homes acquired by the land bank. These policies shall
6 show a preference for keeping the former owner-occupants in their
7 homes, whenever feasible; and

8 (7) Additional terms and conditions the land bank jurisdiction
9 deems reasonable and necessary for operation of the land bank.

10 (b) *Filing*.--The governing body of the land bank jurisdiction
11 which creates a land bank shall file a copy of the ordinance with
12 the West Virginia Housing Development Fund and with the Secretary
13 of State. After receipt of the ordinance, the Secretary of State
14 shall issue the appropriate documentation indicating the formation
15 of the entity.

16 (c) *Combinations*.--(1) The authority under subsection (a) of
17 this section may be exercised in combination pursuant to an
18 intergovernmental cooperation agreement by:

19 (A) More than one land bank jurisdiction; or

20 (B) A land bank jurisdiction and one or more municipalities or
21 counties.

22 (2) If a land bank is established under subdivision (1) of
23 this subsection, the intergovernmental cooperation agreement must
24 specify matters identified in subsection (a) of this section.

1 (d) *Limitation.*--Except as set forth in subsection (c) of this
2 section, if a county establishes a land bank, the land bank may
3 acquire real property only in those portions of the county located
4 outside of the geographical boundaries of any other land bank
5 established by another land bank jurisdiction located partially or
6 entirely within the county.

7 (e) *Legal status of land bank.*--A land bank:

8 (1) Is a public body corporate and politic, exercising public
9 and essential governmental functions, and having all the powers
10 necessary or convenient to carry out and effectuate the purposes
11 and provisions of this article; and

12 (2) Exists until terminated and dissolved under section
13 fourteen of this article.

14 (f) *Collaboration.*--A land bank, a political subdivision and
15 another municipal entity may enter into an intergovernmental
16 cooperation agreement relative to the operations of a land bank.

17 **§31-18E-5. Board of directors of a land bank.**

18 (a) *Membership.*--A board shall consist of an odd number of
19 members and be not less than five members nor more than eleven
20 members. Unless restricted by the actions or agreements specified
21 in section four of this article and subject to the limits stated in
22 this section, the size of the board may be adjusted in accordance
23 with bylaws of the land bank.

24 (b) *Eligibility to serve on board.*--

1 (1) Notwithstanding any law to the contrary, a public officer
2 is eligible to serve as a board member, and the acceptance of the
3 appointment neither terminates nor impairs that public office;

4 (2) A municipal employee is eligible to serve as a board
5 member;

6 (3) An established land bank board shall include at least one
7 voting member who:

8 (A) Is a resident of the land bank jurisdiction;

9 (B) Is not a public official or municipal employee; and

10 (C) Maintains membership with a recognized civic organization
11 within the land bank jurisdiction;

12 (4) A member removed under subdivision (3), subsection (d) of
13 this section is ineligible for reappointment to the board unless
14 the reappointment is confirmed unanimously by the board;

15 (5) As used in this subsection, the term "public officer"
16 means an individual who is elected to office.

17 (c) *Officers.*--The members of the board shall select annually
18 from among their members a chair, vice chair, secretary, treasurer
19 and other officers as the board determines.

20 (d) *Rules.*--The board shall establish rules on all of the
21 following:

22 (1) Duties of officers;

23 (2) Attendance and participation of members in its regular and
24 special meetings;

1 (3) A procedure to remove a member by a majority vote of the
2 other members for failure to comply with a rule; and

3 (4) Other matters necessary to govern the conduct of a land
4 bank.

5 (e) *Vacancies*.--A vacancy on the board shall be filled in the
6 same manner as the original appointment. Upon removal under
7 subdivision (3), subsection (d) of this section, the position
8 becomes vacant.

9 (f) *Compensation*.--Board members serve without compensation.
10 The board may reimburse a member for expenses actually incurred in
11 the performance of duties on behalf of the land bank.

12 (g) *Meetings*.--(1) The board shall meet as follows:

13 (A) In regular session according to a schedule adopted by the
14 board;

15 (B) In special session:

16 (I) As convened by the chair; or

17 (ii) Upon written notice signed by a majority of the members;

18 (2) A majority of the board, excluding vacancies, is a quorum.

19 Physical presence is required under this paragraph.

20 (h) *Voting*.--(1) Except as set forth in subdivisions (2) or
21 (3) of this subsection, action of the board must be approved by the
22 affirmative vote of a majority of the board present and voting.

23 (2) Action of the board on the following matters must be
24 approved by a majority of the entire board membership:

- 1 (A) Adoption of bylaws;
- 2 (B) Adoption of rules under subsection (d) of this section;
- 3 (C) Hiring or firing of an employee or contractor of the land
4 bank. This function may, by majority vote of the entire board
5 membership, be delegated by the board to a specified officer or
6 committee of the land bank;
- 7 (D) Incurring of debt;
- 8 (E) Adoption or amendment of the annual budget; or
- 9 (F) Sale, lease, encumbrance or alienation of real property or
10 personal property with a value of more than \$50,000.
- 11 (3) A resolution under section fourteen of this article,
12 relating to dissolution of a land bank, must be approved by
13 two-thirds of the entire board membership.
- 14 (4) A member of the board may not vote by proxy.
- 15 (5) A member may request a recorded vote on any resolution or
16 action of the land bank.
- 17 (I) *Immunity*.--A land bank jurisdiction which establishes a
18 land bank and a municipality or county which are parties to an
19 intergovernmental cooperation agreement establishing a land bank
20 shall not be liable personally on the bonds or other obligations of
21 the land bank. Rights of creditors of a land bank are solely
22 against the land bank.
- 23 **§31-18E-6. Staff of the land bank.**
- 24 (a) *Employees*.--A land bank may employ or enter into a

1 contract for an executive director, counsel and legal staff,
2 technical experts and other individuals and may determine the
3 qualifications and fix the compensation and benefits of those
4 employees.

5 (b) *Contracts.*--A land bank may enter into a contract with a
6 municipality or county for:

7 (1) The municipality or county to provide staffing services to
8 the land bank; or

9 (2) The land bank to provide staffing services to the
10 municipality or county.

11 **§31-18E-7. Powers of the land bank.**

12 A land bank is a public body, corporate and politic,
13 exercising public and essential governmental functions, and having
14 all the powers necessary or convenient to carry out and effectuate
15 the purposes and provisions of this article, including but not
16 limited to the following:

17 (1) To adopt, amend and repeal bylaws for the regulation of
18 its affairs and the conduct of its business;

19 (2) To sue and be sued in its own name and be a party in a
20 civil action. This paragraph includes an action to clear title to
21 property of the land bank;

22 (3) To adopt a seal and to alter the same at pleasure;

23 (4) To borrow from Federal Government funds, from the state,
24 from private lenders or from municipalities or counties, as

1 necessary, for the operation and work of the land bank;

2 (5) To issue negotiable revenue bonds and notes according to
3 the provisions of this article;

4 (6) To procure insurance or guarantees from the Federal
5 Government or the state of the payment of debt incurred by the land
6 bank and to pay premiums in connection with the insurance or
7 guarantee;

8 (7) To enter into contracts and other instruments necessary,
9 incidental or convenient to the performance of its duties and the
10 exercise of its powers. This paragraph includes intergovernmental
11 cooperation agreements for the joint exercise of powers under this
12 chapter;

13 (8) To enter into contracts and intergovernmental cooperation
14 agreements with municipalities or counties for the performance of
15 functions by municipalities or counties on behalf of the land bank
16 or by the land bank on behalf of municipalities or counties;

17 (9) To make and execute contracts and other instruments
18 necessary or convenient to the exercise of the powers of the land
19 bank. Any contract or instrument signed shall be executed by and
20 for the land bank if the contract or instrument is signed,
21 including an authorized facsimile signature, by:

22 (A) The chair or vice chair of the land bank; and

23 (B) Either:

24 (I) The secretary or assistant secretary of the land bank; or

1 (ii) The treasurer or assistant treasurer of the land bank;

2 (10) To procure insurance against losses in connection with
3 the real property, assets or activities of the land bank;

4 (11) To invest money of the land bank at the discretion of the
5 board in instruments, obligations, securities or property
6 determined proper by the board and to name and use depositories for
7 its money;

8 (12) To enter into contracts for the management of, the
9 collection of rent from or the sale of real property of the land
10 bank;

11 (13) To design, develop, construct, demolish, reconstruct,
12 deconstruct, rehabilitate, renovate, relocate and otherwise improve
13 real property or rights or interests in real property;

14 (14) To fix, charge and collect rents, fees and charges for
15 the use of real property of the land bank and for services provided
16 by the land bank;

17 (15) To grant or acquire licenses, easements, leases or
18 options with respect to real property of the land bank;

19 (16) To enter into partnerships, joint ventures and other
20 collaborative relationships with municipalities, counties and other
21 public and private entities for the ownership, management,
22 development and disposition of real property;

23 (17) To organize and reorganize the executive, administrative,
24 clerical and other departments of the land bank and to fix the

1 duties, powers and compensation of employees, agents and
2 consultants of the land bank; and

3 (18) To do all other things necessary or convenient to achieve
4 the objectives and purposes of the land bank or other law related
5 to the purposes and responsibility of the land bank.

6 **§31-18E-8. Eminent domain.**

7 A land bank does not possess the power of eminent domain.

8 **§31-18E-9. Acquisition of property.**

9 (a) *Title to be held in its name.*--A land bank shall hold in
10 its own name all real property it acquires.

11 (b) *Tax exemption.*--(1) Except as set forth in subdivision (2)
12 of this subsection, the real property of a land bank and its income
13 and operations are exempt from property tax.

14 (2) Subdivision (1) of this subsection does not apply to real
15 property of a land bank after the fifth consecutive year in which
16 the real property is continuously leased to a private third party.
17 However, real property continues to be exempt from property taxes
18 if it is leased to a nonprofit or governmental agency at
19 substantially less than fair market value.

20 (c) *Methods of acquisition.*--A land bank may acquire real
21 property or interests in real property by any means on terms and
22 conditions and in a manner the land bank considers proper.

23 (d) *Acquisitions from municipalities or counties.*--(1) A land

1 bank may acquire real property by purchase contracts, lease
2 purchase agreements, installment sales contracts and land contracts
3 and may accept transfers from municipalities or counties upon terms
4 and conditions as agreed to by the land bank and the municipality
5 or county.

6 (2) A municipality or county may transfer to a land bank real
7 property and interests in real property of the municipality or
8 county on terms and conditions and according to procedures
9 determined by the municipality or county as long as the real
10 property is located within the jurisdiction of the land bank.

11 (3) A redevelopment authority located within a land bank
12 jurisdiction established under this chapter may, with the consent
13 of the local governing body and without a redevelopment contract,
14 convey property which it acquired before the effective date of this
15 paragraph to the land bank. A conveyance under this subdivision
16 shall be with fee simple title, free of all liens and encumbrances.

17 (e) *Maintenance*.--A land bank shall maintain all of its real
18 property in accordance with the statutes and ordinances of the
19 jurisdiction in which the real property is located.

20 (f) *Prohibition*.--(1) Subject to the provisions of subdivision
21 (2) of this subsection, a land bank may not own or hold real
22 property located outside the jurisdictional boundaries of the
23 entities which created the land bank under subsection (c) of
24 section four of this article.

1 (2) A land bank may be granted authority pursuant to an
2 intergovernmental cooperation agreement with a municipality or
3 county to manage and maintain real property located within the
4 jurisdiction of the municipality or county.

5 (g) *Acquisition of tax delinquent properties.*--Notwithstanding
6 any other provision of this code to the contrary, if authorized by
7 the land bank jurisdiction which created a land bank or otherwise
8 by intergovernmental cooperation agreement, a land bank may acquire
9 an interest in tax delinquent property through the provisions of
10 chapter eleven-a of this code.

11 **§31-18E-10. Disposition of property.**

12 (a) *Public access to inventory.*--A land bank shall maintain
13 and make available for public review and inspection an inventory of
14 real property held by the land bank.

15 (b) *Power.*--A land bank may convey, exchange, sell, transfer,
16 lease, grant or mortgage interests in real property of the land
17 bank in the form and by the method determined to be in the best
18 interests of the land bank.

19 (c) *Consideration.*--(1) A land bank shall determine the amount
20 and form of consideration necessary to convey, exchange, sell,
21 transfer, lease as lessor, grant or mortgage interests in real
22 property.

23 (2) Consideration may take the form of monetary payments and
24 secured financial obligations, covenants and conditions related to

1 the present and future use of the property, contractual commitments
2 of the transferee and other forms of consideration as determined by
3 the board to be in the best interest of the land bank.

4 (d) *Policies and procedures.*--(1) A board shall determine and
5 state in the land bank policies and procedures the general terms
6 and conditions for consideration to be received by the land bank
7 for the transfer of real property and interests in real property.

8 (2) Requirements which may be applicable to the disposition of
9 real property and interests in real property by municipalities or
10 counties shall not be applicable to the disposition of real
11 property and interests in real property by a land bank.

12 (e) *Ranking of priorities.*--(1) A land bank jurisdiction may
13 establish a hierarchical ranking of priorities for the use of real
14 property conveyed by a land bank, including use for:

- 15 (A) Purely public spaces and places;
- 16 (B) Affordable housing;
- 17 (C) Conservation areas; and
- 18 (D) Retail, commercial and industrial activities.

19 (2) The priorities established may be for the entire land bank
20 jurisdiction or may be set according to the needs of different
21 neighborhoods, municipalities or other locations within the land
22 bank jurisdiction, or according to the nature of the real property.

23 (f) *Land use plans.*--A land bank shall consider all duly
24 adopted land use plans and make reasonable efforts to coordinate

1 the disposition of land bank real property with the land use plans.

2 (g) *Specific voting and approval requirements.*--(1) A land
3 bank jurisdiction may, in its ordinance creating a land bank or in
4 the case of multiple land bank jurisdictions and municipalities or
5 counties creating a single land bank in the applicable
6 intergovernmental cooperation agreement, require that a particular
7 form of disposition of real property or a disposition of real
8 property located within specified jurisdictions be subject to
9 specified voting and approval requirements of the board.

10 (2) Except as restricted or constrained under paragraph (1),
11 the board may delegate to officers and employees the authority to
12 enter into and execute agreements, instruments of conveyance and
13 other related documents pertaining to the conveyance of real
14 property by the land bank.

15 **§31-18E-11. Financing of land bank operations.**

16 (a) *General rule.*--A land bank may receive funding through
17 grants and loans from:

18 (1) The federal government;

19 (2) The state;

20 (3) A municipality or county;

21 (4) The land bank jurisdiction which created the land bank;

22 and

23 (5) Private or other public sources.

24 (b) *Funding.*--A land bank may receive and retain payments for

1 services rendered, for rents and leasehold payments received, for
2 consideration for disposition of real and personal property, for
3 proceeds of insurance coverage for losses incurred, for income from
4 investments and for an asset and activity lawfully permitted to a
5 land bank under this chapter.

6 (c) *Allocated real property taxes.*--(1) A taxing jurisdiction
7 may authorize the remittance or dedication of a portion of real
8 property taxes collected pursuant to the laws of this state to a
9 land bank on real property conveyed by a land bank.

10 (2) Allocation of property tax revenues in accordance with
11 this subsection, if authorized by the taxing jurisdiction, begins
12 with the first taxable year following the date of conveyance and
13 continues for a period of up to five years and may not exceed a
14 maximum of fifty percent of the aggregate property tax revenues
15 generated by the property.

16 (3) Remittance or dedication of real property taxes include
17 the real property taxes of a school district only if the school
18 district enters into an agreement with the land bank for the
19 remittance or dedication.

20 **§31-18E-12. Borrowing and issuance of bonds.**

21 (a) *Authority.*--(1) A land bank may issue a bond for any of
22 its corporate purposes.

23 (2) The principal and interest of a bond is payable from the
24 land bank's general revenue.

1 (3) The bond may be secured by any of the following:

2 (A) A pledge of revenue. This paragraph includes a grant or
3 contribution from: (I) The federal government or a federal agency
4 or instrumentality; or (ii) the state, a state agency or an
5 instrumentality of the state; or

6 (B) A mortgage of property of the land bank.

7 (b) *Nature*.--The bond is a negotiable instrument under the
8 provisions of article eight, chapter forty-six of this code.

9 (c) *Tax exempt*.--A bond and the income from the bond is exempt
10 from taxation by: (1) The state; and (2) a political subdivision.

11 (d) *Procedure*.--(1) A bond must be authorized by resolution of
12 the board and shall be a limited obligation of the land bank.

13 (2) The principal and interest, costs of issuance and other
14 costs incidental to the bond are payable solely from the income and
15 revenue derived from the sale, lease or other disposition of the
16 assets of the land bank. The land bank may secure the bond by a
17 mortgage or other security device covering all or part of the
18 project from which the pledged revenues may be derived.

19 (3) A refunding bond issued under this section:

20 (A) Is payable from: (I) A source described in this article;
21 or (ii) the investment of the proceeds of the refunding bonds; and

22 (B) Is not an indebtedness or pledge of the general credit of
23 a political subdivision within the meaning of a constitutional or
24 statutory limitation of indebtedness and shall contain a recital to

1 that effect.

2 (4) A bond must comply with the authorizing resolution as to:

3 (A) Form;

4 (B) Denomination;

5 (C) Interest rate;

6 (D) Maturity; and

7 (E) Execution.

8 (5) A bond may be subject to redemption at the option of and
9 in the manner determined by the board in the authorizing
10 resolution.

11 (e) *Powers of municipalities or counties.*--A municipality or
12 county may elect to guarantee, insure or otherwise become primarily
13 or secondarily obligated on the indebtedness of a land bank,
14 subject, however, to all other provisions of law of this state
15 applicable to municipal or county indebtedness.

16 (f) *Sale.*--(1) A bond shall be issued, sold and delivered in
17 accordance with the terms and provisions of the authorizing
18 resolution. The board, to effectuate its best interest, may
19 determine the manner of sale, public or private, and the price of
20 the bond.

21 (2) The resolution issuing a bond must be published in a
22 newspaper of general circulation within the jurisdiction in which
23 the land bank is located.

24 (g) *Liability.*--(1) Neither the members of a land bank nor a

1 person executing the bond shall be liable personally on the bonds
2 by reason of the issuance of the bond.

3 (2) The bond or other obligation of a land bank related to a
4 bond shall not be a debt of a municipality, county or of the state.
5 A statement to this effect shall appear on the face of the bond or
6 obligation.

7 (3) On the bond or other obligation of a land bank related to
8 a bond, all of the following apply:

9 (A) The state has no liability. This paragraph applies to the
10 revenue and property of the state; and

11 (B) A municipality or county has no liability. This paragraph
12 applies to the revenue and property of a municipality or county.

13 **§31-18E-13. Public records and public access.**

14 (a) *Public records.*--A board shall keep minutes and a record
15 of its proceedings.

16 (b) *Public access.*--A land bank is subject to article nine-a,
17 chapter six of this code, relating to open meetings and chapter
18 twenty-nine-b of this code, relating to public records.

19 **§31-18E-14. Dissolution of land bank.**

20 (a) *General rule.*--A land bank may be dissolved as a public
21 body corporate and politic upon compliance with all of the
22 following:

23 (1) Sixty calendar days' advance written notice of

1 consideration of a resolution to request dissolution must be:

2 (A) Given to the land bank jurisdiction which created the land
3 bank;

4 (B) Published in a local newspaper of general circulation; and

5 (C) Sent by certified mail to the trustees of outstanding
6 bonds of the land bank; and

7 (2) A resolution requesting dissolution must be approved under
8 subdivision (3), subsection (h), section five of this article.

9 (b) *Authority.*--Upon receipt of a proper resolution described
10 in subsection (a) of this section, the land bank jurisdiction which
11 created the land bank may dissolve the land bank by adoption of an
12 ordinance subject to the approval of the mayor in a city or the
13 county commission in a county. If approved, the governing body of
14 the land bank jurisdiction which created the land bank shall file
15 a certified copy of the ordinance with the Secretary of State, and
16 the Secretary of State shall cause the termination of the existence
17 of the land bank to be noted on the record of incorporation. Upon
18 the filing, the land bank shall cease to function. The Secretary of
19 State shall also notify the West Virginia Housing Development Fund
20 of the dissolution of the land bank.

21 (c) *Transfer of assets.*--Upon dissolution of the land bank,
22 real property, personal property and other assets of the land bank
23 become the assets of the municipality in which the property is
24 located or the county in which the property is located, if it is

1 not within a municipality. The following apply:

2 (1) Personal property, including financial assets, of the land
3 bank shall be divided among participating land bank jurisdictions
4 in proportion to the population of each jurisdiction.

5 (2) The municipality in which real property is located or the
6 county in which the property is located, if it is not within a
7 municipality, shall approve the transfer of title to the
8 municipality or county.

9 (d) *Multiple jurisdictions.*--If multiple land bank
10 jurisdictions create a land bank under section four of this
11 article, the withdrawal of one or more land bank jurisdictions does
12 not require dissolution of the land bank unless:

13 (1) The intergovernmental cooperation agreement provides for
14 dissolution in this event; and

15 (2) There is no land bank jurisdiction which desires to
16 continue the existence of the land bank.

17 **§31-18E-15. Conflicts of interest.**

18 (a) *Ethics Act.*--The acts and decisions of members of a board
19 and of employees of a land bank are subject to chapter six-b of
20 this code.

21 (b) *Supplemental rules and guidelines.*--The board may adopt:

22 (1) Supplemental rules addressing potential conflicts of
23 interest; and

24 (2) Ethical guidelines for members of the board and land bank

1 employees.

2 **§31-18E-16. Construction, intent and scope.**

3 This article shall be construed liberally to effectuate the
4 legislative intent and the purposes as complete and independent
5 authorization for the implementation of this article, and all
6 powers granted shall be broadly interpreted to effectuate the
7 intent and purposes and not as a limitation of powers.

8 **§31-18E-17. Additional tax lien information.**

9 (a) *Power to discharge liens and claims.*--(1) Except as set
10 forth in subdivision (2) of this subsection, a land bank may, by
11 resolution of the board, discharge a lien or claim to its real
12 property for tax owed to the members of the land bank.

13 (2) For a land bank to discharge a lien or claim to its real
14 property under subdivision (1) of this subsection for tax owed to
15 a school district, the governing body of the school district must
16 approve the discharge.

17 (3) The land bank must file evidence of the extinguishment and
18 dissolution of liens or claims with the county, including copies of
19 the resolution by the board, the intergovernmental agreement,
20 receipt of payment and other necessary and appropriate
21 documentation. This requirement must be satisfied no later than the
22 earlier of: (A) Ten days prior to the conveyance of the property;
23 or (B) within thirty days after the discharge.

24 (b) *Remittance of payments.*--To the extent that a land bank

1 receives payments attributable to a lien or claim for real property
2 taxes owed to a municipality, county or school district on property
3 acquired by the land bank, the land bank shall remit the full
4 amount of the payments to the municipality, county or school
5 district.

6 (c) *Policy to protect low-income owner-occupant*
7 *households.*--The land bank shall adopt policies providing for plans
8 and agreements by which low-income, owner-occupant households may
9 pay their delinquent taxes. Such plans and agreements shall take
10 into account the household's ability to pay and shall be designed
11 to promote the continued occupancy by that household whenever
12 feasible.

13 **§31-18E-18. Expedited quiet title proceedings.**

14 (a) *Authorization.*--(1) A land bank may file an action in
15 circuit court to quiet title to real property in which the land
16 bank has an interest.

17 (2) A land bank may join in a single complaint to quiet title
18 to one or more parcels of real property.

19 (3) For purposes of an action under this section, the land
20 bank shall be deemed to be the holder of sufficient legal and
21 equitable interests and possessory rights so as to qualify the land
22 bank as an adequate complainant in the action.

23 (b) *Procedural requirements.*--(1) Prior to the filing of an
24 action to quiet title, the land bank must conduct an examination of

1 title to determine the identity of any person possessing a claim or
2 interest in or to the real property.

3 (2) Service of the complaint to quiet title shall be provided
4 in accordance with the requirements to serve a civil complaint
5 generally, including that service to interested parties be made as
6 follows:

7 (A) By first class mail to the identity and address reasonably
8 ascertainable by an inspection of public records;

9 (B) In the case of occupied real property, by first class
10 mail, addressed to "occupant";

11 (C) By posting a copy of the notice on the real property.

12 (D) By publication; and

13 (E) As ordered by the court.

14 (3) As part of the complaint to quiet title, the land bank
15 must file an affidavit identifying:

16 (A) Persons discovered under subdivision (1) of this
17 subsection; and

18 (B) The form of service under subdivision (2) of this
19 subsection.

20 (c) *Hearing.*--(1) The court shall schedule a hearing on the
21 complaint within ninety days following filing of the complaint and
22 as to all matters upon which an answer was not filed by an
23 interested party.

24 (2) The court shall issue its final judgment within one

1 hundred twenty days of the filing of the complaint.

2 **§31-18E-19. Annual audit and report.**

3 (a) The land bank shall annually, within one hundred twenty
4 days after the end of the fiscal year, submit an audit of income
5 and expenditures, together with a report of its activities for the
6 preceding year, to the West Virginia Housing Development Fund.

7 (b) A duplicate of the audit and the report shall be filed
8 with the governing body of:

9 (1) The land bank jurisdiction which created the land bank;
10 and

11 (2) Each political subdivision which opted to participate in
12 the land bank pursuant to an intergovernmental agreement.

NOTE: The purpose of this bill is to improve housing development and land use in West Virginia by providing an option to all municipalities, counties or combinations to create a land banking program in order to eliminate blight and address vacant, delinquent or foreclosed properties.

This article is new, therefore strike-throughs and underscoring have been omitted.