

FIRST REGULAR SESSION

[PERFECTED]

HOUSE BILL NO. 821

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SOLON.

1621H.03P

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 140.190, RSMo, and to enact in lieu thereof eighteen new sections relating to land banks, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 140.190, RSMo, is repealed and eighteen new sections enacted in lieu thereof, to be known as sections 140.190, 140.980, 140.981, 140.982, 140.983, 140.984, 140.985, 140.986, 140.987, 140.988, 140.991, 140.997, 140.1000, 140.1003, 140.1006, 140.1009, 140.1012, and 140.1015, to read as follows:

140.190. 1. On the day mentioned in the notice, the county collector shall commence the sale of such lands, and shall continue the same from day to day until each parcel assessed or belonging to each person assessed shall be sold as will pay the taxes, interest and charges thereon, or chargeable to such person in said county.

2. The person **or land bank agency** offering at said sale to pay the required sum for a tract shall be considered the purchaser of such land; provided, no sale shall be made to any person or designated agent who is currently delinquent on any tax payments on any property, other than a delinquency on the property being offered for sale, and who does not sign an affidavit stating such at the time of sale. Failure to sign such affidavit as well as signing a false affidavit may invalidate such sale. No bid shall be received from any person not a resident of the state of Missouri or a foreign corporation or entity all deemed nonresidents. A nonresident shall file with said collector an agreement in writing consenting to the jurisdiction of the circuit court of the county in which such sale shall be made, and also filing with such collector an

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

14 appointment of some citizen of said county as agent of said nonresident, and consenting that
15 service of process on such agent shall give such court jurisdiction to try and determine any suit
16 growing out of or connected with such sale for taxes. After the delinquent auction sale, any
17 certificate of purchase shall be issued to the agent. After meeting the requirements of section
18 140.405, the property shall be conveyed to the agent on behalf of the nonresident, and the agent
19 shall thereafter convey the property to the nonresident.

20 3. All such written consents to jurisdiction and selective appointments shall be preserved
21 by the county collector and shall be binding upon any person or corporation claiming under the
22 person consenting to jurisdiction and making the appointment herein referred to; provided
23 further, that in the event of the death, disability or refusal to act of the person appointed as agent
24 of said nonresident the county clerk shall become the appointee as agent of said nonresident.

25 **4. No person residing in any home rule city with more than seventy-one thousand**
26 **but fewer than seventy-nine thousand inhabitants shall be eligible to offer to purchase**
27 **lands under this section unless such person has, no later than ten days before the sale date,**
28 **demonstrated to the satisfaction of the official charged by law with conducting the sale that**
29 **the person is not the owner of any parcel of real property that has two or more violations**
30 **of the municipality's building or housing codes. A prospective bidder may make such a**
31 **demonstration by presenting statements from the appropriate collection and code-**
32 **enforcement officials of the municipality. This subsection shall not apply to any taxing**
33 **authority or land bank agency, and entities shall be eligible to bid at any sale conducted**
34 **under this section without making such a demonstration.**

140.980. 1. Sections 140.980 to 140.1015 shall be known and may be cited as the
2 **"Land Bank Act".**

3 **2. As used in sections 140.980 to 140.1015, the following terms mean:**

4 **(1) "Ancillary parcel", a parcel of real estate acquired by a land bank agency other**
5 **than any sale conducted under section 140.190, 140.240, or 140.250;**

6 **(2) "Land bank agency", an agency established by a city under the authority of**
7 **section 140.981;**

8 **(3) "Land taxes", taxes on real property or real estate, including the taxes both on**
9 **land and the improvements thereon;**

10 **(4) "Political subdivision", any county, city, town, village, school district, library**
11 **district, or any other public subdivision or public corporation that has the power to tax;**

12 **(5) "Reserve period taxes", land taxes assessed against any parcel of real estate sold**
13 **or otherwise disposed of by a land bank agency for the first three tax years following such**
14 **sale or disposition;**

15 (6) "Tax bill", real estate taxes and the lien thereof, whether general or special,
16 levied and assessed by any taxing authority;

17 (7) "Taxing authority", any governmental, managing, administering, or other
18 lawful authority, now or hereafter empowered by law to issue tax bills.

 140.981. 1. Any home rule city with more than seventy-one thousand but fewer
2 than seventy-nine thousand inhabitants may establish a land bank agency for the
3 management, sale, transfer, and other disposition of interests in real estate owned by such
4 land bank agency. Any such land bank agency shall be established to foster the public
5 purpose of returning land, including land that is in a nonrevenue-generating,
6 nontax-producing status, to use in private ownership. A city may establish a land bank
7 agency by ordinance, resolution, or rule, as applicable.

8 2. A land bank agency shall not own any interest in real estate located wholly or
9 partially outside the city that established the land bank.

10 3. The beneficiaries of the land bank agency shall be the taxing authorities that held
11 or owned tax bills against the respective parcels of real estate acquired by such land bank
12 agency pursuant to a sale conducted under section 140.190, 140.240, or 140.250, and their
13 respective interests in each parcel of real estate shall be to the extent and in proportion to
14 the priorities determined by the court on the basis that the principal amount of their
15 respective tax bills bore to the total principal amount of all of the tax bills described in the
16 judgment.

17 4. A land bank agency created under the land bank act shall be a public body
18 corporate and politic and shall have permanent and perpetual duration until terminated
19 and dissolved in accordance with the provisions of section 140.1012.

 140.982. The governing body of the city establishing a land bank agency, or the
2 chief administrative officer of the city establishing a land bank agency, shall have the
3 power to organize and reorganize the executive, administrative, clerical, and other
4 departments of the land bank agency and to fix the duties, powers, and compensation of
5 all employees, agents, and consultants of the land bank agency. A land bank agency may
6 employ a secretary, an executive director, its own counsel and legal staff, technical experts,
7 and other agents and employees, permanent or temporary, as it may require and may
8 determine the qualifications and fix the compensation and benefits of such persons. A land
9 bank agency may also enter into contracts and agreements with political subdivisions for
10 staffing services to be provided to the land bank agency by political subdivisions or
11 agencies or departments thereof, or for a land bank agency to provide such staffing
12 services to political subdivisions or agencies or departments thereof.

140.983. A land bank agency established under the land bank act shall have all powers necessary or appropriate to carry out and effectuate the purposes and provisions of the land bank act, including the following powers in addition to those herein otherwise granted:

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

(2) To sue and be sued, in its own name, and plead and be impleaded in all civil actions including, but not limited to, actions to clear title to property of the land bank agency;

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

(4) To borrow from private lenders, political subdivisions, the state, and the federal government as may be necessary for the operation and work of the land bank agency;

(5) To issue notes and other obligations according to the provisions of this chapter;

(6) To procure insurance or guarantees from political subdivisions, the state, the federal government, or any other public or private sources of the payment of any bond, note, loan, or other obligation, or portion thereof, incurred by the land bank agency and to pay any fees or premiums in connection therewith;

(7) To enter into contracts and other instruments necessary, incidental, or convenient to the performance of its duties and the exercise of its powers including, but not limited to, agreements with other land bank agencies and with political subdivisions for the joint exercise of powers under this chapter;

(8) To enter into contracts and other instruments necessary, incidental, or convenient to:

(a) The performance of functions by the land bank agency on behalf of political subdivisions, or agencies or departments thereof; or

(b) The performance by political subdivisions, or agencies or departments thereof, of functions on behalf of the land bank agency;

(9) To make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the land bank agency. Any contract or instrument if signed both by the executive director of the land bank agency and by the secretary, assistant secretary, treasurer, or assistant treasurer of the land bank agency, or by an authorized facsimile signature of any such positions, shall be held to have been properly executed for and on its behalf;

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

36 (11) To invest the moneys of the land bank agency, including amounts deposited
37 in reserve or sinking funds, at the discretion of the land bank agency in instruments,
38 obligations, securities, or property determined proper by the land bank agency and to
39 name and use depositories for its moneys;

40 (12) To enter into contracts for the management of, the collection of rent from, or
41 the sale of the property of the land bank agency;

42 (13) To design, develop, construct, demolish, reconstruct, rehabilitate, renovate,
43 relocate, equip, furnish, and otherwise improve real property or rights or interests in real
44 property held by the land bank agency;

45 (14) To fix, charge, and collect rents, fees, and charges for the use of the property
46 of the land bank agency and for services provided by the land bank agency;

47 (15) To acquire property, whether by purchase, exchange, gift, lease, or otherwise,
48 except not property not wholly located in the city that established the land bank agency;
49 to grant or acquire licenses and easements; and to sell, lease, grant an option with respect
50 to, or otherwise dispose of, any property of the land bank agency;

51 (16) To enter into partnerships, joint ventures, and other collaborative
52 relationships with political subdivisions and other public and private entities for the
53 ownership, management, development, and disposition of real property, except not for
54 property not wholly located in the city that established the land bank agency; and

55 (17) Subject to the other provisions of this chapter and all other applicable laws,
56 to do all other things necessary or convenient to achieve the objectives and purposes of the
57 land bank agency or other laws that relate to the purposes and responsibility of the land
58 bank agency.

140.984. 1. The income of a land bank agency shall be exempt from all taxation by
2 the state and by any of its political subdivisions. Upon acquiring title to any real estate, a
3 land bank agency shall immediately notify the county assessor and the county collector of
4 such ownership, and such real estate shall be exempt from all taxation during the land
5 bank agency's ownership thereof, in the same manner and to the same extent as any other
6 publicly owned real estate. Upon the sale or other disposition of any real estate held by it,
7 the land bank agency shall immediately notify the county assessor and the county collector
8 of such change of ownership. However, that such tax exemption for improved and
9 occupied real property held by the land bank agency as a lessor pursuant to a ground lease
10 shall terminate upon the first occupancy, and the land bank agency shall immediately
11 notify the county assessor and the county collector of such occupancy.

12 **2. A land bank agency may acquire real property or interests in property by gift,**
13 **devise, transfer, exchange, foreclosure, lease, purchase, or otherwise on terms and**
14 **conditions and in a manner the land bank agency considers proper.**

15 **3. A land bank agency may acquire property by purchase contracts, lease purchase**
16 **agreements, installment sales contracts, and land contracts and may accept transfers from**
17 **political subdivisions upon such terms and conditions as agreed to by the land bank agency**
18 **and the political subdivision. A land bank agency may bid on any parcel of real estate**
19 **offered for sale, offered at a foreclosure sale under sections 140.220 to 140.250, or offered**
20 **at a sale conducted under section 140.190, 140.240, or 140.250. Notwithstanding any other**
21 **law to the contrary, any political subdivision may transfer to the land bank agency real**
22 **property and interests in real property of the political subdivision on such terms and**
23 **conditions and according to such procedures as determined by the political subdivision.**

24 **4. A land bank agency shall maintain all of its real property in accordance with the**
25 **laws and ordinances of the jurisdictions in which the real property is located.**

26 **5. Upon issuance of a deed of a delinquent land tax auction under subsection 4 of**
27 **section 140.250, subsection 5 of section 140.405, or other sale conducted under section**
28 **140.190, 140.240, or 140.250 of a parcel of real estate to a land bank agency, the land bank**
29 **agency shall pay the amount of the land bank agency's bid that exceeds the amount of all**
30 **tax bills included in the judgment, interest, penalties, attorney's fees, taxes, and costs then**
31 **due thereon. If the real estate is acquired in a delinquent land tax auction, such excess**
32 **shall be applied and distributed in accordance with section 140.230. Upon issuance of a**
33 **deed, the county collector shall mark the tax bills included in the judgment as "cancelled**
34 **by sale to the land bank" and shall take credit for the full amount of such tax bills,**
35 **including principal amount, interest, penalties, attorney's fees, and costs, on his or her**
36 **books and in his or her statements with any other taxing authorities.**

37 **6. A land bank shall not own real property unless the property is wholly located**
38 **within the boundaries of the city that established the land bank agency.**

140.985. 1. A land bank agency shall hold in its own name all real property
2 **acquired by such land bank agency irrespective of the identity of the transferor of such**
3 **property.**

4 **2. A land bank agency shall maintain and make available for public review and**
5 **inspection an inventory and history of all real property the land bank agency holds or**
6 **formerly held. This inventory and history shall be available on the land bank agency's**
7 **website and include at a minimum:**

8 **(1) Whether a parcel is available for sale;**

9 **(2) The address of the parcel if an address has been assigned;**

- 10 (3) The parcel number if no address has been assigned;
11 (4) The year that a parcel entered the land bank agency's inventory;
12 (5) Whether a parcel has sold; and
13 (6) If a parcel has sold, the name of the person or entity to which it was sold.

14 3. The land bank agency shall determine and set forth in policies and procedures
15 the general terms and conditions for consideration to be received by the land bank agency
16 for the transfer of real property and interests in real property. Consideration may take
17 the form of monetary payments and secured financial obligations, covenants, and
18 conditions related to the present and future use of the property; contractual commitments
19 of the transferee; and such other forms of consideration as the land bank agency
20 determines to be in the best interest of its purpose.

21 4. A land bank agency may convey, exchange, sell, transfer, lease, grant, release and
22 demise, pledge, and hypothecate any and all interests in, upon, or to property of the land
23 bank agency. A land bank agency may gift any interest in, upon, or to property to the city
24 that established the land bank agency.

25 5. A city may, in its resolution or ordinance creating a land bank agency, establish
26 a hierarchical ranking of priorities for the use of real property conveyed by such land bank
27 agency, subject to subsection 7 of this section, including, but not limited to:

- 28 (1) Use for purely public spaces and places;
29 (2) Use for affordable housing;
30 (3) Use for retail, commercial, and industrial activities;
31 (4) Use as wildlife conservation areas; and
32 (5) Such other uses and in such hierarchical order as determined by such city.

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34 If a city, in its resolution or ordinance creating a land bank agency, establishes priorities
35 for the use of real property conveyed by the land bank agency, such priorities shall be
36 consistent with and no more restrictive than municipal planning and zoning ordinances.

37 6. The land bank agency may delegate to officers and employees the authority to
38 enter into and execute agreements, instruments of conveyance, and all other related
39 documents pertaining to the conveyance of property by the land bank agency.

40 7. A land bank agency shall only accept written offers equal to or greater than the
41 full amount of all tax bills, interest, penalties, attorney's fees, and costs on real property
42 to purchase the real property held by the land bank agency.

43 8. When any parcel of real estate acquired by a land bank agency is sold or
44 otherwise disposed of by such land bank agency, the proceeds therefrom shall be applied
45 and distributed in the following order:

- 46 (1) To the payment of the expenses of the sale;
- 47 (2) To fulfill the requirements of the resolution, indenture, or other financing
48 documents adopted or entered into in connection with bonds, notes, or other obligations
49 of the land bank agency, to the extent that such requirements may apply with respect to
50 such parcel of real estate;
- 51 (3) To the balance to be retained by the land bank agency to pay the salaries and
52 other expenses of such land bank agency and of its employees as provided for in its annual
53 budget; and
- 54 (4) Any funds in excess of those necessary to meet the expenses of the annual budget
55 of the land bank agency in any fiscal year and a reasonable sum to carry over into the next
56 fiscal year to assure that sufficient funds will be available to meet initial expenses for that
57 next fiscal year, exclusive of net profit from the sale of ancillary parcels, shall be paid to
58 the respective taxing authorities that, at the time of the distribution, are taxing the real
59 property from which the proceeds are being distributed. The distributions shall be in
60 proportion to the amounts of the taxes levied on the properties by the taxing authorities.
61 Distribution shall be made on January first and July first of each year, and at such other
62 times as the land bank agency may determine.
- 63 9. When any ancillary parcel is sold or otherwise disposed of by such land bank
64 agency, the proceeds therefrom shall be applied and distributed in the following order:
- 65 (1) To the payment of all land taxes and related charges then due on such parcel;
- 66 (2) To the payment of the expenses of sale;
- 67 (3) To fulfill the requirements of the resolution, indenture, or other financing
68 documents adopted or entered into in connection with bonds, notes, or other obligations
69 of the land bank agency, to the extent that such requirements may apply with respect to
70 such parcel of real estate;
- 71 (4) To the balance to be retained by the land bank agency to pay the salaries and
72 other expenses of such land bank agency and of its employees as provided for in its annual
73 budget; and
- 74 (5) Any funds in excess of those necessary to meet the expenses of the annual budget
75 of the land bank agency in any fiscal year and a reasonable sum to carry over into the next
76 fiscal year to assure that sufficient funds will be available to meet initial expenses for that
77 next fiscal year, shall be paid in accordance with subdivision (4) of subsection 8 of this
78 section.
- 79 10. If a land bank agency owns more than five parcels of real property in a single
80 city block and no written offer to purchase any of those properties has been submitted to

81 the agency in the past twelve months, the land bank shall reduce its requested price for
82 those properties and advertise the discount publicly.

140.986. 1. No later than two years from the date it acquired the property, a land
2 bank agency shall either sell, put to a productive use, or show significant progress towards
3 selling or putting to a productive use a parcel of real property. A productive use may be
4 renting the property; demolishing all structures of the property; restoring property of
5 historic value; or using the property for a community garden, park, or other open public
6 space.

7 2. The governing body of the city may grant the land bank agency a one-year
8 extension if the body believes unforeseen circumstances have delayed the sale or productive
9 use of a parcel of property.

10 3. If a land bank agency owns a parcel of real property that does not have a
11 productive use after two years, or does not receive an extension under subsection 2 of this
12 section, the property shall be offered for public sale using the procedures under sections
13 140.170 to 140.190.

140.987. A land bank agency shall ensure that any contract for the sale of
2 residential property owned by the land bank agency shall have a clause that the buyer shall
3 own the property for three years following the buyer's purchase of the property from the
4 land bank. The clause shall state that a violation of those terms makes the buyer civilly
5 liable to the land bank agency for an amount equal to twice the sale price of the property.

140.988. 1. A land bank agency may receive funding through grants, gifts, and
2 loans from political subdivisions, the state, the federal government, and other public and
3 private sources.

4 2. Except as otherwise provided in subsections 8 and 9 of section 140.985, a land
5 bank agency may receive and retain payments for services rendered, for rents and
6 leasehold payments received, for consideration for disposition of real and personal
7 property, for proceeds of insurance coverage for losses incurred, for income from
8 investments, and for any other asset and activity lawfully permitted to a land bank agency
9 under the land bank act.

10 3. If a land bank agency sells or otherwise disposes of a parcel of real estate held
11 by it, any land taxes assessed against such parcel for the three tax years following such sale
12 or disposition by such land bank agency that are collected by the county collector in a
13 calendar year and not refunded, less the fees provided under section 52.260 and subsection
14 4 of this section and less the amounts to be deducted under section 137.720, shall be
15 distributed by the county collector to such land bank agency no later than March first of
16 the following calendar year, provided that land taxes impounded under section 139.031 or

17 otherwise paid under protest shall not be subject to distribution under this subsection.
18 Any amount required to be distributed to a land bank agency under this subsection shall
19 be subject to offset for amounts previously distributed to such land bank agency that were
20 assessed, collected, or distributed in error.

21 4. In addition to any other provisions of law related to collection fees, the county
22 collector shall collect on behalf of the county a fee of four percent of reserve period taxes
23 collected and such fees collected shall be deposited in the county general fund.

140.991. 1. There shall be an annual audit of the affairs, accounts, expenses, and
2 financial transactions of a land bank agency by a certified public accountant before April
3 thirtieth of each year, which accountant shall be employed by the land bank agency on or
4 before March first of each year. Certified copies of the audit shall be furnished to the city
5 that established the land bank agency, and the city shall post the audit on its public
6 website. Copies of the audit shall also be available for public inspection at the office of the
7 land bank agency.

8 2. The land bank agency may be performance audited at any time by the state
9 auditor or by the auditor of the city that established the land bank agency. The cost of
10 such audit shall be paid by the land bank agency, and copies shall be made available to the
11 public and posted on the land bank agency's website within thirty days of the completion
12 of the audit.

140.997. Except as otherwise provided under state law, the land bank agency
2 meetings shall cause minutes and a record to be kept of all its proceedings. The land bank
3 agency shall be subject to the provisions of chapter 109, chapter 610, and any other
4 applicable provisions of law governing public records and public meetings.

140.1000. 1. No employee of a land bank agency shall receive any compensation,
2 emolument, or other profit directly or indirectly from the rental, management, acquisition,
3 sale, demolition, repair, rehabilitation, use, operation, ownership, or disposition of any
4 lands held by such land bank agency other than the salaries, expenses, and emoluments
5 provided for in the land bank act.

6 2. No employee of a land bank agency shall own, directly or indirectly, any legal or
7 equitable interest in or to any lands held by such land bank agency other than the salaries,
8 expenses, and emoluments provided for in sections 140.980 to 140.1015.

9 3. A violation of this section is a felony. Any person found guilty of violating this
10 section shall be sentenced to a term of imprisonment of no less than two years nor more
11 than five years.

12 4. The land bank agency may adopt supplemental rules and regulations addressing
13 potential conflicts of interest and ethical guidelines for land bank agency employees,

14 provided that such rules and regulations are not inconsistent with this chapter or any other
15 applicable law.

140.1003. Except as otherwise expressly set forth in sections 140.980 to 140.1015,
2 in the exercise of its powers and duties under the land bank act and its powers relating to
3 property held by the land bank agency, the land bank agency shall have complete control
4 of the property as fully and completely as if it were a private property owner.

140.1006. 1. If any ancillary parcel is acquired by a land bank agency and is
2 encumbered by a lien or claim for real property taxes owed to a taxing authority, such
3 taxing authority may elect to contribute to the land bank agency all or any portion of such
4 taxes that are distributed to and received by such taxing authority.

5 2. To the extent that a land bank agency receives payments or credits of any kind
6 attributable to liens or claims for real property taxes owed to a taxing authority, the land
7 bank agency shall remit the full amount of the payments to the county collector for
8 distribution to the appropriate taxing authority.

140.1009. 1. A land bank agency shall be authorized to file an action to quiet title
2 under section 527.150 as to any real property in which the land bank agency has an
3 interest. For purposes of any and all such actions, the land bank agency shall be deemed
4 to be the holder of sufficient legal and equitable interests, and possessory rights, so as to
5 qualify the land bank agency as an adequate petitioner in such action.

6 2. Prior to the filing of an action to quiet title, the land bank agency shall conduct
7 an examination of title to determine the identity of any and all persons and entities
8 possessing a claim or interest in or to the real property. Service of the petition to quiet title
9 shall be provided to all such interested parties by the following methods:

10 (1) Registered or certified mail to such identity and address as reasonably
11 ascertainable by an inspection of public records;

12 (2) In the case of occupied real property, by first class mail addressed to
13 "Occupant";

14 (3) By posting a copy of the notice on the real property;

15 (4) By publication in a newspaper of general circulation in the city in which the
16 property is located; and

17 (5) Such other methods as the court may order.

18 3. As part of the petition to quiet title, the land bank agency shall file an affidavit
19 identifying all parties potentially having an interest in the real property and the form of
20 notice provided.

21 4. The court shall schedule a hearing on the petition within ninety days following
22 filing of the petition, and, as to all matters upon which an answer was not filed by an

23 interested party, the court shall issue its final judgment within one hundred twenty days
24 of the filing of the petition.

25 **5. A land bank agency shall be authorized to join in a single petition to quiet title**
26 **one or more parcels of real property.**

140.1012. 1. A land bank agency may be dissolved as a public body corporate and
2 **politic no sooner than sixty calendar days after an ordinance or resolution for such**
3 **dissolution is passed by the city that established the land bank agency.**

4 **2. No less than sixty calendar days' advance written notice of consideration of such**
5 **an ordinance or resolution of dissolution shall be given to the land bank agency, shall be**
6 **published in a local newspaper of general circulation within such city, and shall be sent**
7 **certified mail to each trustee of any outstanding bonds of the land bank agency.**

8 **3. No land bank agency shall be dissolved while there remains any outstanding**
9 **bonds, notes, or other obligations of the land bank agency unless such bonds, notes, or**
10 **other obligations are paid or defeased pursuant to the resolution, indenture, or other**
11 **financing document under which such bonds, notes, or other obligations were issued prior**
12 **to or simultaneously with such dissolution.**

13 **4. Upon dissolution of a land bank agency pursuant to this section, all real**
14 **property, personal property, and other assets of the land bank agency shall be transferred**
15 **by appropriate written instrument to and shall become the assets of the city that**
16 **established the land bank agency. Such city shall act expeditiously to return such real**
17 **property to the tax rolls and shall market and sell such real property using an open, public**
18 **method that ensures the best possible prices are realized while ensuring such real property**
19 **is returned to a suitable, productive use for the betterment of the neighborhood in which**
20 **such real property is located. Any such real property that was acquired by the dissolved**
21 **land bank agency pursuant to a sale conducted under section 140.190, 140.240, or 140.250**
22 **shall be held by the city in trust for the tax bill owners and taxing authorities having an**
23 **interest in any tax liens which were foreclosed, as their interests may appear in the**
24 **judgment of foreclosure, and, upon the sale or other disposition of any such property by**
25 **such city, the proceeds therefrom shall be applied and distributed in the following order:**

26 **(1) To the payment of the expenses of sale;**

27 **(2) To the reasonable costs incurred by such city in maintaining and marketing**
28 **such property; and**

29 **(3) The balance shall be paid to the respective taxing authorities that, at the time**
30 **of the distribution, are taxing the real property from which the proceeds are being**
31 **distributed.**

**140.1015. A land bank agency shall neither possess nor exercise the power of
2 eminent domain. A land bank agency shall not have the power to tax.**

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