

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 874**

Introduced by Urban Affairs Committee: Wayne, 13, Chairperson; Crawford, 45; Hansen, 26; Howard, 9; Larson, 40; Quick, 35.

Read first time January 05, 2018

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to community development; to amend sections  
2 18-2107, 18-2109, 18-2113, 18-2116, and 18-2117.01, Reissue Revised  
3 Statutes of Nebraska, sections 18-2103, 18-2115, 18-2119, 18-2147,  
4 and 77-1704.01, Revised Statutes Cumulative Supplement, 2016, and  
5 section 18-2102.01, Revised Statutes Supplement, 2017; to change the  
6 Community Development Law; to redefine and alphabetize terms; to  
7 change provisions relating to tax-increment financing and certain  
8 property tax notices and receipts; and to repeal the original  
9 sections.

10 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 18-2102.01, Revised Statutes Supplement, 2017, is  
2 amended to read:

3 18-2102.01 Cities of all classes and villages of this state are  
4 hereby granted power and authority to create community redevelopment  
5 authorities and limited community redevelopment authorities.

6 (1) Whenever an authority or limited authority is created it shall  
7 bear the name of the city creating it and shall be legally known as the  
8 Community Redevelopment Authority of the City (or Village)  
9 of ..... (name of city or village) or the Limited Community  
10 Redevelopment Authority of the City (or Village) of ..... (name  
11 of city or village).

12 (2) When it is determined by the governing body of any city by  
13 ordinance in the exercise of its discretion that it is expedient to  
14 create a community redevelopment authority or limited community  
15 redevelopment authority, the mayor of the city or, if the mayor shall  
16 fail to act within ninety days after the passage of the ordinance, the  
17 president or other presiding officer other than the mayor of the  
18 governing body, with the approval of the governing body of the city,  
19 shall appoint five or seven persons who shall constitute the voting  
20 members of the authority or the limited authority. The terms of office of  
21 the members of a five-member authority initially appointed shall be for  
22 one year, two years, three years, four years, and five years, as  
23 designated by the mayor, president, other presiding officer, or city  
24 manager in making the respective appointments. The terms of office of the  
25 members of a seven-member authority initially appointed shall be one  
26 member each for one year, two years, and five years, and two members each  
27 for three years and four years, as designated by the mayor, president,  
28 other presiding officer, or city manager in making the respective  
29 appointments. As the terms of the voting members of the authority expire  
30 in cities not having the city manager form of government, the mayor, with  
31 the approval of the governing body of the city, shall appoint or

1 reappoint a voting member of the authority for a term of five years to  
2 succeed the member whose term expires. In cities having the city manager  
3 form of government, the city manager shall appoint or reappoint the  
4 voting members with the approval of the governing body. The terms of  
5 office of the voting members of a limited community redevelopment  
6 authority shall be for the duration of only one single specific limited  
7 pilot project authorized in the ordinance creating the limited community  
8 redevelopment authority, and the terms of the voting members of a limited  
9 community redevelopment authority shall expire upon the completion of the  
10 single specific limited pilot project authorized in the ordinance  
11 creating the limited community redevelopment authority.

12 (3) On or before January 1, 2019, and on or before January 1 of each  
13 year thereafter, a city that has created a community redevelopment  
14 authority or a limited community redevelopment authority shall give the  
15 governing body of each county and school district in which such city is  
16 located the opportunity to appoint a nonvoting member of the authority or  
17 limited authority. The city shall send a request for appointment of such  
18 nonvoting member by certified mail, return receipt requested, to the  
19 president or chairperson of the governing body of each such county and  
20 school district. Upon receipt of the request for appointment, the  
21 governing body of each such county and school district may elect to  
22 appoint a nonvoting member or may decline to make such an appointment. If  
23 the governing body of any county or school district fails to appoint a  
24 nonvoting member within ninety days after receipt of the request for  
25 appointment, it shall be deemed to have declined to make such an  
26 appointment. If the governing body of any county or school district  
27 appoints a nonvoting member pursuant to this subdivision, the nonvoting  
28 member shall serve for such term as designated by the governing body of  
29 such county or school district and the city shall not be required to send  
30 a request for appointment to the governing body of such county or school  
31 district until such nonvoting member's term expires. This subdivision

1 shall not apply to a county or school district if a representative of  
2 such county or school district is currently serving as a voting member of  
3 the authority or limited authority.

4 (4) A governing body may at its option submit an ordinance which  
5 creates a community redevelopment authority or a limited community  
6 redevelopment authority to the electors of the city for approval by a  
7 majority vote of the electors voting on the ordinance. On submitting the  
8 ordinance for approval, the governing body is authorized to call, by the  
9 ordinance, a special or general election and to submit, after thirty  
10 days' notice of the time and place of holding the election and according  
11 to the manner and method otherwise provided by law for the calling,  
12 conducting, canvassing, and certifying of the result of city elections on  
13 the submission of propositions to the electors, the proposition to be  
14 stated on the ballot as follows:

15 Shall the City (or Village) of ..... (name of city or  
16 village) create a Community Redevelopment Authority of the City (or  
17 Village) of ..... (name of city or village)?

18 ... Yes

19 ... No.

20 When the ordinance submitted to the electors for approval by a  
21 majority vote of the electors voting on the ordinance is to create a  
22 limited community redevelopment authority the proposition shall be stated  
23 on the ballot as follows:

24 Shall the City (or Village) of ..... (name of city or  
25 village) create a Limited Community Redevelopment Authority of the City  
26 (or Village) of ..... (name of city or village)?

27 ... Yes

28 ... No.

29 (5) Vacancies shall be filled for any unexpired term in the same  
30 manner as the original appointment. Voting members ~~Members~~ of the  
31 authority so appointed shall hold office until their successors have been

1 appointed and qualified. Voting members ~~Members~~ of a limited authority  
2 shall hold office as provided in this section. All members of the  
3 authority shall serve without compensation, but shall be entitled to be  
4 reimbursed for all necessary expenses incurred.

5 (6) ~~(3)~~ Any authority established under this section shall organize  
6 by electing one of its voting members chairperson and another vice-  
7 chairperson, shall have power to employ counsel, a director who shall be  
8 ex officio secretary of the authority, and such other officers and  
9 employees as may be desired, and shall fix the term of office,  
10 qualifications, and compensation of each. The holder of the office of  
11 community redevelopment administrator or coordinator of the city may, but  
12 need not, be appointed the director but at no additional compensation by  
13 the authority. Community redevelopment authorities of cities of the first  
14 and second class and villages may secure the services of a director,  
15 community redevelopment administrator, or coordinator, and other officers  
16 and employees as may be desired through contract with the Department of  
17 Economic Development upon terms which are mutually agreeable. Any  
18 authority established under this section may validly and effectively act  
19 on all matters requiring a resolution or other official action by the  
20 concurrence of three voting members of a five-voting-member ~~five-member~~  
21 authority or four voting members of a seven-voting-member ~~seven-member~~  
22 authority present and voting at a meeting of the authority. Orders,  
23 requisitions, warrants, and other documents may be executed by the  
24 chairperson or vice-chairperson or by or with others designated in its  
25 bylaws.

26 (7) ~~(4)~~ No member or employee of any authority established under  
27 this section shall have any interest directly or indirectly in any  
28 contract for property, materials, or services to be required by such  
29 authority. No member of any authority established under this section  
30 shall also be a member of any planning commission created under section  
31 19-925.

1           ~~(8)~~ ~~(5)~~ The authority shall keep an accurate account of all its  
2 activities and of all receipts and disbursements and make an annual  
3 report of such activities, receipts, and disbursements to the governing  
4 body of the city.

5           ~~(9)~~ ~~(6)~~ The governing body of a city creating a community  
6 redevelopment authority or a limited community redevelopment authority is  
7 hereby authorized to appropriate and loan to the authority a sum not  
8 exceeding ten thousand dollars for the purposes of paying expenses of  
9 organizing and supervising the work of the authority at the beginning of  
10 its activities. The loan shall be authorized by resolution of the  
11 governing body which shall set forth the terms and time of the repayment  
12 of the loan. The loan may be appropriated out of the general funds or any  
13 sinking fund.

14           ~~(10)~~ ~~(7)~~ All income, revenue, profits, and other funds received by  
15 any authority established under this section from whatever source  
16 derived, or appropriated by the city, or realized from tax receipts or  
17 comprised in the special revenue fund of the city designated for the  
18 authority or from the proceeds of bonds, or otherwise, shall be deposited  
19 with the city treasurer as ex officio treasurer of the authority without  
20 commingling the money with any other money under his or her control and  
21 disbursed by him or her by check, draft, or order only upon warrants,  
22 orders, or requisitions by the chairperson of the authority or other  
23 person authorized by the authority which shall state distinctly the  
24 purpose for which the same are drawn. A permanent record shall be kept by  
25 the authority of all warrants, orders, or requisitions so drawn, showing  
26 the date, amount, consideration, and to whom payable. When paid, the same  
27 shall be canceled and kept on file by the city treasurer. The books of  
28 any authority established under this section shall from time to time be  
29 audited upon the order of the governing body of the municipality in such  
30 manner as it may direct, and all books and records of the authority shall  
31 at all times be open to public inspection. The Auditor of Public Accounts

1 may audit, or cause to be audited, any authority established under this  
2 section or any redevelopment plan of such authority when the Auditor of  
3 Public Accounts determines such audit is necessary or when requested by  
4 the governing body. The authority may contract with the holders of any of  
5 its bonds or notes as to collection, custody, securing investment, and  
6 payment of any money of the authority or any money held in trust or  
7 otherwise for the payment of bonds or notes or in any way to secure bonds  
8 or notes. The authority may carry out the contract notwithstanding that  
9 such contract may be inconsistent with the previous provisions of this  
10 subdivision. All banks, capital stock financial institutions, qualifying  
11 mutual financial institutions, and trust companies are hereby authorized  
12 to give security for the deposits of money of any authority established  
13 under the provisions of this section pursuant to the Public Funds Deposit  
14 Security Act. Section 77-2366 applies to deposits in capital stock  
15 financial institutions. Section 77-2365.01 shall apply to deposits in  
16 qualifying mutual financial institutions.

17       Sec. 2. Section 18-2103, Revised Statutes Cumulative Supplement,  
18 2016, is amended to read:

19       18-2103 For purposes of the Community Development Law, unless the  
20 context otherwise requires:

21       (1) Area of operation means and includes the area within the  
22 corporate limits of the city and such land outside the city as may come  
23 within the purview of sections 18-2123 and 18-2123.01;

24       (2) Authority means any community redevelopment authority created  
25 pursuant to section 18-2102.01 and a city or village which has created a  
26 community development agency pursuant to the provisions of section  
27 18-2101.01 and does not include a limited community redevelopment  
28 authority;

29       (3) Blighted area means an area, which (a) by reason of the presence  
30 of a substantial number of deteriorated or deteriorating structures,  
31 existence of defective or inadequate street layout, faulty lot layout in

1 relation to size, adequacy, accessibility, or usefulness, insanitary or  
2 unsafe conditions, deterioration of site or other improvements, diversity  
3 of ownership, tax or special assessment delinquency exceeding the fair  
4 value of the land, defective or unusual conditions of title, improper  
5 subdivision or obsolete platting, or the existence of conditions which  
6 endanger life or property by fire and other causes, or any combination of  
7 such factors, substantially impairs or arrests the sound growth of the  
8 community, retards the provision of housing accommodations, or  
9 constitutes an economic or social liability and is detrimental to the  
10 public health, safety, morals, or welfare in its present condition and  
11 use and (b) in which there is at least one of the following conditions:  
12 (i) Unemployment in the designated area is at least one hundred twenty  
13 percent of the state or national average; (ii) the average age of the  
14 residential or commercial units in the area is at least forty years;  
15 (iii) more than half of the plotted and subdivided property in an area is  
16 unimproved land that has been within the city for forty years and has  
17 remained unimproved during that time; (iv) the per capita income of the  
18 area is lower than the average per capita income of the city or village  
19 in which the area is designated; or (v) the area has had either stable or  
20 decreasing population based on the last two decennial censuses. In no  
21 event shall a city of the metropolitan, primary, or first class designate  
22 more than thirty-five percent of the city as blighted, a city of the  
23 second class shall not designate an area larger than fifty percent of the  
24 city as blighted, and a village shall not designate an area larger than  
25 one hundred percent of the village as blighted. A redevelopment project  
26 involving a formerly used defense site as authorized under section  
27 18-2123.01 shall not count towards the percentage limitations contained  
28 in this subdivision;

29 (4) Bonds means any bonds, including refunding bonds, notes, interim  
30 certificates, debentures, or other obligations issued pursuant to the  
31 Community Development Law except for bonds issued pursuant to section



1 18-2142.04;

2 (5) Business means any private business located in an enhanced  
3 employment area;

4 (6) City means any city or incorporated village in the state;

5 (7) Clerk means the clerk of the city or village;

6 (8) Community redevelopment area means a substandard and blighted  
7 area which the community redevelopment authority designates as  
8 appropriate for a renewal project;

9 (9) Employee means a person employed at a business as a result of a  
10 redevelopment project;

11 (10) Employer-provided health benefit means any item paid for by the  
12 employer in total or in part that aids in the cost of health care  
13 services, including, but not limited to, health insurance, health savings  
14 accounts, and employer reimbursement of health care costs;

15 (11) Enhanced employment area means an area not exceeding six  
16 hundred acres (a) within a community redevelopment area which is  
17 designated by an authority as eligible for the imposition of an  
18 occupation tax or (b) not within a community redevelopment area as may be  
19 designated under section 18-2142.04;

20 (12) Equivalent employees means the number of employees computed by  
21 (a) dividing the total hours to be paid in a year by (b) the product of  
22 forty times the number of weeks in a year;

23 (13) Federal government means the United States of America, or any  
24 agency or instrumentality, corporate or otherwise, of the United States  
25 of America;

26 (14) Governing body or local governing body means the city council,  
27 board of trustees, or other legislative body charged with governing the  
28 municipality;

29 (15) Limited community redevelopment authority means a community  
30 redevelopment authority created pursuant to section 18-2102.01 having  
31 only one single specific limited pilot project authorized;

1       (16) Mayor means the mayor of the city or chairperson of the board  
2 of trustees of the village;

3       (17) New investment means the value of improvements to real estate  
4 made in an enhanced employment area by a developer or a business;

5       (18) Number of new employees means the number of equivalent  
6 employees that are employed at a business as a result of the  
7 redevelopment project during a year that are in excess of the number of  
8 equivalent employees during the year immediately prior to the year that a  
9 redevelopment plan is adopted;

10       (19) Obligee means any bondholder, agent, or trustee for any  
11 bondholder, or lessor demising to any authority, established pursuant to  
12 section 18-2102.01, property used in connection with a redevelopment  
13 project, or any assignee or assignees of such lessor's interest or any  
14 part thereof, and the federal government when it is a party to any  
15 contract with such authority;

16       (20) Occupation tax means a tax imposed under section 18-2142.02;

17       (21) Person means any individual, firm, partnership, limited  
18 liability company, corporation, company, association, joint-stock  
19 association, or body politic and includes any trustee, receiver,  
20 assignee, or other similar representative thereof;

21       (22) Public body means the state or any municipality, county,  
22 township, board, commission, authority, district, or other political  
23 subdivision or public body of the state;

24       (23) Real property means all lands, including improvements and  
25 fixtures thereon, and property of any nature appurtenant thereto, or used  
26 in connection therewith, and every estate, interest and right, legal or  
27 equitable, therein, including terms for years and liens by way of  
28 judgment, mortgage, or otherwise, and the indebtedness secured by such  
29 liens;

30       (24) Redeveloper means any person, partnership, or public or private  
31 corporation or agency which enters or proposes to enter into a

1 redevelopment contract;

2 (25) Redevelopment contract means a contract entered into between an  
3 authority and a redeveloper for the redevelopment of an area in  
4 conformity with a redevelopment plan;

5 (26) Redevelopment plan means a plan, as it exists from time to time  
6 for one or more community redevelopment areas, or for a redevelopment  
7 project, which (a) conforms to the general plan for the municipality as a  
8 whole and (b) is sufficiently complete to indicate such land acquisition,  
9 demolition and removal of structures, redevelopment, improvements, and  
10 rehabilitation as may be proposed to be carried out in the community  
11 redevelopment area, zoning and planning changes, if any, land uses,  
12 maximum densities, and building requirements;

13 ~~(1) An authority means any community redevelopment authority created~~  
14 ~~pursuant to section 18-2102.01 and a city or village which has created a~~  
15 ~~community development agency pursuant to the provisions of section~~  
16 ~~18-2101.01 and does not include a limited community redevelopment~~  
17 ~~authority;~~

18 ~~(2) Limited community redevelopment authority means a community~~  
19 ~~redevelopment authority created pursuant to section 18-2102.01 having~~  
20 ~~only one single specific limited pilot project authorized;~~

21 ~~(3) City means any city or incorporated village in the state;~~

22 ~~(4) Public body means the state or any municipality, county,~~  
23 ~~township, board, commission, authority, district, or other political~~  
24 ~~subdivision or public body of the state;~~

25 ~~(5) Governing body or local governing body means the city council,~~  
26 ~~board of trustees, or other legislative body charged with governing the~~  
27 ~~municipality;~~

28 ~~(6) Mayor means the mayor of the city or chairperson of the board of~~  
29 ~~trustees of the village;~~

30 ~~(7) Clerk means the clerk of the city or village;~~

31 ~~(8) Federal government means the United States of America, or any~~

1 ~~agency or instrumentality, corporate or otherwise, of the United States~~  
2 ~~of America;~~

3 ~~(9) Area of operation means and includes the area within the~~  
4 ~~corporate limits of the city and such land outside the city as may come~~  
5 ~~within the purview of sections 18-2123 and 18-2123.01;~~

6 ~~(10) Substandard areas means an area in which there is a~~  
7 ~~predominance of buildings or improvements, whether nonresidential or~~  
8 ~~residential in character, which, by reason of dilapidation,~~  
9 ~~deterioration, age or obsolescence, inadequate provision for ventilation,~~  
10 ~~light, air, sanitation, or open spaces, high density of population and~~  
11 ~~overcrowding, or the existence of conditions which endanger life or~~  
12 ~~property by fire and other causes, or any combination of such factors, is~~  
13 ~~conducive to ill health, transmission of disease, infant mortality,~~  
14 ~~juvenile delinquency, and crime, (which cannot be remedied through~~  
15 ~~construction of prisons), and is detrimental to the public health,~~  
16 ~~safety, morals, or welfare;~~

17 ~~(11) Blighted area means an area, which (a) by reason of the~~  
18 ~~presence of a substantial number of deteriorated or deteriorating~~  
19 ~~structures, existence of defective or inadequate street layout, faulty~~  
20 ~~lot layout in relation to size, adequacy, accessibility, or usefulness,~~  
21 ~~insanitary or unsafe conditions, deterioration of site or other~~  
22 ~~improvements, diversity of ownership, tax or special assessment~~  
23 ~~delinquency exceeding the fair value of the land, defective or unusual~~  
24 ~~conditions of title, improper subdivision or obsolete platting, or the~~  
25 ~~existence of conditions which endanger life or property by fire and other~~  
26 ~~causes, or any combination of such factors, substantially impairs or~~  
27 ~~arrests the sound growth of the community, retards the provision of~~  
28 ~~housing accommodations, or constitutes an economic or social liability~~  
29 ~~and is detrimental to the public health, safety, morals, or welfare in~~  
30 ~~its present condition and use and (b) in which there is at least one of~~  
31 ~~the following conditions: (i) Unemployment in the designated area is at~~

1 ~~least one hundred twenty percent of the state or national average; (ii)~~  
2 ~~the average age of the residential or commercial units in the area is at~~  
3 ~~least forty years; (iii) more than half of the plotted and subdivided~~  
4 ~~property in an area is unimproved land that has been within the city for~~  
5 ~~forty years and has remained unimproved during that time; (iv) the per~~  
6 ~~capita income of the area is lower than the average per capita income of~~  
7 ~~the city or village in which the area is designated; or (v) the area has~~  
8 ~~had either stable or decreasing population based on the last two~~  
9 ~~decennial censuses. In no event shall a city of the metropolitan,~~  
10 ~~primary, or first class designate more than thirty-five percent of the~~  
11 ~~city as blighted, a city of the second class shall not designate an area~~  
12 ~~larger than fifty percent of the city as blighted, and a village shall~~  
13 ~~not designate an area larger than one hundred percent of the village as~~  
14 ~~blighted. A redevelopment project involving a formerly used defense site~~  
15 ~~as authorized under section 18-2123.01 shall not count towards the~~  
16 ~~percentage limitations contained in this subdivision;~~

17       (27) ~~(12)~~ Redevelopment project means any work or undertaking in one  
18 or more community redevelopment areas: (a) To acquire substandard and  
19 blighted areas or portions thereof, including lands, structures, or  
20 improvements the acquisition of which is necessary or incidental to the  
21 proper clearance, development, or redevelopment of such substandard and  
22 blighted areas; (b) to clear any such areas by demolition or removal of  
23 existing buildings, structures, streets, utilities, or other improvements  
24 thereon and to install, construct, or reconstruct streets, utilities,  
25 parks, playgrounds, public spaces, public parking facilities, sidewalks  
26 or moving sidewalks, convention and civic centers, bus stop shelters,  
27 lighting, benches or other similar furniture, trash receptacles,  
28 shelters, skywalks and pedestrian and vehicular overpasses and  
29 underpasses, enhancements to structures in the redevelopment project area  
30 which exceed minimum building and design standards in the community and  
31 prevent the recurrence of substandard and blighted conditions, and any

1 other necessary public improvements essential to the preparation of sites  
2 for uses in accordance with a redevelopment plan; (c) to sell, lease, or  
3 otherwise make available land in such areas for residential,  
4 recreational, commercial, industrial, or other uses, including parking or  
5 other facilities functionally related or subordinate to such uses, or for  
6 public use or to retain such land for public use, in accordance with a  
7 redevelopment plan; and may also include the preparation of the  
8 redevelopment plan, the planning, survey, and other work incident to a  
9 redevelopment project and the preparation of all plans and arrangements  
10 for carrying out a redevelopment project; (d) to dispose of all real and  
11 personal property or any interest in such property, or assets, cash, or  
12 other funds held or used in connection with residential, recreational,  
13 commercial, industrial, or other uses, including parking or other  
14 facilities functionally related or subordinate to such uses, or any  
15 public use specified in a redevelopment plan or project, except that such  
16 disposition shall be at its fair value for uses in accordance with the  
17 redevelopment plan; (e) to acquire real property in a community  
18 redevelopment area which, under the redevelopment plan, is to be repaired  
19 or rehabilitated for dwelling use or related facilities, repair or  
20 rehabilitate the structures, and resell the property; and (f) to carry  
21 out plans for a program of voluntary or compulsory repair,  
22 rehabilitation, or demolition of buildings ~~or other improvements~~ in  
23 accordance with the redevelopment plan;

24 (28) Redevelopment project valuation means the valuation for  
25 assessment of the taxable real property in a redevelopment project last  
26 certified for the year prior to the effective date of the provision  
27 authorized in section 18-2147; and

28 (29) Substandard area means an area in which there is a predominance  
29 of buildings or improvements, whether nonresidential or residential in  
30 character, which, by reason of dilapidation, deterioration, age or  
31 obsolescence, inadequate provision for ventilation, light, air,

1 sanitation, or open spaces, high density of population and overcrowding,  
2 or the existence of conditions which endanger life or property by fire  
3 and other causes, or any combination of such factors, is conducive to ill  
4 health, transmission of disease, infant mortality, juvenile delinquency,  
5 and crime, (which cannot be remedied through construction of prisons),  
6 and is detrimental to the public health, safety, morals, or welfare.

7 ~~(13) Redevelopment plan means a plan, as it exists from time to time~~  
8 ~~for one or more community redevelopment areas, or for a redevelopment~~  
9 ~~project, which (a) conforms to the general plan for the municipality as a~~  
10 ~~whole and (b) is sufficiently complete to indicate such land acquisition,~~  
11 ~~demolition and removal of structures, redevelopment, improvements, and~~  
12 ~~rehabilitation as may be proposed to be carried out in the community~~  
13 ~~redevelopment area, zoning and planning changes, if any, land uses,~~  
14 ~~maximum densities, and building requirements;~~

15 ~~(14) Redeveloper means any person, partnership, or public or private~~  
16 ~~corporation or agency which enters or proposes to enter into a~~  
17 ~~redevelopment contract;~~

18 ~~(15) Redevelopment contract means a contract entered into between an~~  
19 ~~authority and a redeveloper for the redevelopment of an area in~~  
20 ~~conformity with a redevelopment plan;~~

21 ~~(16) Real property means all lands, including improvements and~~  
22 ~~fixtures thereon, and property of any nature appurtenant thereto, or used~~  
23 ~~in connection therewith, and every estate, interest and right, legal or~~  
24 ~~equitable, therein, including terms for years and liens by way of~~  
25 ~~judgment, mortgage, or otherwise, and the indebtedness secured by such~~  
26 ~~liens;~~

27 ~~(17) Bonds means any bonds, including refunding bonds, notes,~~  
28 ~~interim certificates, debentures, or other obligations issued pursuant to~~  
29 ~~the Community Development Law except for bonds issued pursuant to section~~  
30 ~~18-2142.04;~~

31 ~~(18) Obligee means any bondholder, agent, or trustee for any~~

1 ~~bondholder, or lessor demising to any authority, established pursuant to~~  
2 ~~section 18-2102.01, property used in connection with a redevelopment~~  
3 ~~project, or any assignee or assignees of such lessor's interest or any~~  
4 ~~part thereof, and the federal government when it is a party to any~~  
5 ~~contract with such authority;~~

6 ~~(19) Person means any individual, firm, partnership, limited~~  
7 ~~liability company, corporation, company, association, joint-stock~~  
8 ~~association, or body politic and includes any trustee, receiver,~~  
9 ~~assignee, or other similar representative thereof;~~

10 ~~(20) Community redevelopment area means a substandard and blighted~~  
11 ~~area which the community redevelopment authority designates as~~  
12 ~~appropriate for a renewal project;~~

13 ~~(21) Redevelopment project valuation means the valuation for~~  
14 ~~assessment of the taxable real property in a redevelopment project last~~  
15 ~~certified for the year prior to the effective date of the provision~~  
16 ~~authorized in section 18-2147;~~

17 ~~(22) Enhanced employment area means an area not exceeding six~~  
18 ~~hundred acres (a) within a community redevelopment area which is~~  
19 ~~designated by an authority as eligible for the imposition of an~~  
20 ~~occupation tax or (b) not within a community redevelopment area as may be~~  
21 ~~designated under section 18-2142.04;~~

22 ~~(23) Employee means a person employed at a business as a result of a~~  
23 ~~redevelopment project;~~

24 ~~(24) Employer-provided health benefit means any item paid for by the~~  
25 ~~employer in total or in part that aids in the cost of health care~~  
26 ~~services, including, but not limited to, health insurance, health savings~~  
27 ~~accounts, and employer reimbursement of health care costs;~~

28 ~~(25) Equivalent employees means the number of employees computed by~~  
29 ~~(a) dividing the total hours to be paid in a year by (b) the product of~~  
30 ~~forty times the number of weeks in a year;~~

31 ~~(26) Business means any private business located in an enhanced~~



1 ~~employment area;~~

2 ~~(27) New investment means the value of improvements to real estate~~  
3 ~~made in an enhanced employment area by a developer or a business;~~

4 ~~(28) Number of new employees means the number of equivalent~~  
5 ~~employees that are employed at a business as a result of the~~  
6 ~~redevelopment project during a year that are in excess of the number of~~  
7 ~~equivalent employees during the year immediately prior to the year that a~~  
8 ~~redevelopment plan is adopted; and~~

9 ~~(29) Occupation tax means a tax imposed under section 18-2142.02.~~

10 Sec. 3. Section 18-2107, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

12 18-2107 An authority shall constitute a public body corporate and  
13 politic, exercising public and essential governmental functions and  
14 having all the powers necessary or convenient to carry out and effectuate  
15 the purposes and provisions of the Community Development Law and sections  
16 18-2147 to 18-2151, including the power:

17 (1) To sue and to be sued; to have a seal and to alter the same at  
18 pleasure; to have perpetual succession; to make and execute contracts and  
19 other instruments necessary or convenient to the exercise of the powers  
20 of the authority; and to make and from time to time amend and repeal  
21 bylaws, rules, and regulations not inconsistent with the Community  
22 Development Law;

23 (2) To prepare or cause to be prepared and recommend redevelopment  
24 plans to the governing body of the city and to undertake and carry out  
25 redevelopment projects within its area of operation;

26 (3) To arrange or contract for the furnishing or repair, by any  
27 person or agency, public or private, of services, privileges, works,  
28 streets, roads, public utilities, or other facilities for or in  
29 connection with a redevelopment project; and, notwithstanding anything to  
30 the contrary contained in the Community Development Law or any other  
31 provision of law, to agree to any conditions that it may deem reasonable

1 and appropriate attached to federal financial assistance and imposed  
2 pursuant to federal law relating to the determination of prevailing  
3 salaries or wages or compliance with labor standards, in the undertaking  
4 or carrying out of a redevelopment project, and to include in any  
5 contract let in connection with such a project provisions to fulfill such  
6 federally imposed conditions as it may deem reasonable and appropriate;

7 (4) Within its area of operation, to purchase, lease, obtain options  
8 upon, or acquire by gift, grant, bequest, devise, eminent domain, or  
9 otherwise any real or personal property or any interest therein, together  
10 with any improvements thereon, necessary or incidental to a redevelopment  
11 project; to hold, improve, clear, or prepare for redevelopment any such  
12 property; to sell, lease for a term not exceeding ninety-nine years,  
13 exchange, transfer, assign, subdivide, retain for its own use, mortgage,  
14 pledge, hypothecate, or otherwise encumber or dispose of any real or  
15 personal property or any interest therein; to enter into contracts with  
16 redevelopers of property containing covenants, restrictions, and  
17 conditions regarding the use of such property for residential,  
18 commercial, industrial, or recreational purposes or for public purposes  
19 in accordance with the redevelopment plan and such other covenants,  
20 restrictions, and conditions as the authority may deem necessary to  
21 prevent a recurrence of substandard and blighted areas or to effectuate  
22 the purposes of the Community Development Law; to make any of the  
23 covenants, restrictions, or conditions of the foregoing contracts  
24 covenants running with the land and to provide appropriate remedies for  
25 any breach of any such covenants or conditions, including the right in  
26 the authority to terminate such contracts and any interest in the  
27 property created pursuant thereto; to borrow money, issue bonds, and  
28 provide security for loans or bonds; to establish a revolving loan fund;  
29 to insure or provide for the insurance of any real or personal property  
30 or the operation of the authority against any risks or hazards, including  
31 the power to pay premiums on any such insurance; to enter into any

1 contracts necessary to effectuate the purposes of the Community  
2 Development Law; and to provide grants, loans, or other means of  
3 financing to public or private parties in order to accomplish the  
4 rehabilitation or redevelopment in accordance with a redevelopment plan,  
5 except that any loan made for the purpose of financing a redevelopment  
6 project that includes the division of taxes as provided in section  
7 18-2147 shall only be used for such purpose, and the proceeds from  
8 repayment of such loan shall be deposited in the city's general fund and  
9 shall not be used to establish a revolving loan fund. No statutory  
10 provision with respect to the acquisition, clearance, or disposition of  
11 property by other public bodies shall restrict an authority exercising  
12 powers hereunder, in such functions, unless the Legislature shall  
13 specifically so state;

14 (5) To invest any funds held in reserves or sinking funds or any  
15 funds not required for immediate disbursement in property or securities  
16 in which savings banks or other banks may legally invest funds subject to  
17 their control; and to redeem its bonds at the redemption price  
18 established therein or to purchase its bonds at less than redemption  
19 price, and such bonds redeemed or purchased shall be canceled;

20 (6) To borrow money and to apply for and accept advances, loans,  
21 grants, contributions, and any other form of financial assistance from  
22 the federal government, from the state, county, municipality, or other  
23 public body, or from any sources, public or private, including charitable  
24 funds, foundations, corporations, trusts, or bequests, for purposes of  
25 the Community Development Law, to give such security as may be required,  
26 and to enter into and carry out contracts in connection therewith; and  
27 notwithstanding any other provision of law, to include in any contract  
28 for financial assistance with the federal government for a redevelopment  
29 project such conditions imposed pursuant to federal law as the authority  
30 may deem reasonable and appropriate and which are not inconsistent with  
31 the purposes of the Community Development Law;

1           (7) Acting through one or more members of an authority or other  
2 persons designated by the authority, to conduct examinations and  
3 investigations and to hear testimony and take proof under oath at public  
4 or private hearings on any matter material for its information; to  
5 administer oaths and to issue commissions for the examination of  
6 witnesses who are outside of the state or unable to attend before the  
7 authority or excused from attendance; and to make available to  
8 appropriate agencies or public officials, including those charged with  
9 the duty of abating or requiring the correction of nuisances or like  
10 conditions, demolishing unsafe or insanitary structures, or eliminating  
11 conditions of blight within its area of operation, its findings and  
12 recommendations with regard to any building or property where conditions  
13 exist which are dangerous to the public health, safety, morals, or  
14 welfare;

15           (8) Within its area of operation, to make or have made all surveys,  
16 appraisals, studies, and plans, but not including the preparation of a  
17 general plan for the community, necessary to the carrying out of the  
18 purposes of the Community Development Law and to contract or cooperate  
19 with any and all persons or agencies, public or private, in the making  
20 and carrying out of such surveys, appraisals, studies, and plans;

21           (9) To prepare plans and provide reasonable assistance for the  
22 relocation of families, business concerns, and others displaced from a  
23 redevelopment project area to permit the carrying out of the  
24 redevelopment project to the extent essential for acquiring possession of  
25 and clearing such area or parts thereof; and to make relocation payments  
26 to or with respect to such persons for moving expenses and losses of  
27 property for which reimbursement or compensation is not otherwise made,  
28 including the making of such payments financed by the federal government;

29           (10) To make such expenditures as may be necessary to carry out the  
30 purposes of the Community Development Law; and to make expenditures from  
31 funds obtained from the federal government without regard to any other

1 laws pertaining to the making and approval of appropriations and  
2 expenditures;

3 (11) To certify on or before September 20 of each year to the  
4 governing body of the city the amount of tax to be levied for the  
5 succeeding fiscal year for community redevelopment purposes, not to  
6 exceed two and six-tenths cents on each one hundred dollars upon the  
7 taxable value of the taxable property in such city, which levy is subject  
8 to allocation under section 77-3443 on and after July 1, 1998. The  
9 governing body shall levy and collect the taxes so certified at the same  
10 time and in the same manner as other city taxes are levied and collected,  
11 and the proceeds of such taxes, when due and as collected, shall be set  
12 aside and deposited in the special account or accounts in which other  
13 revenue of the authority is deposited. Such proceeds shall be employed to  
14 assist in the defraying of any expenses of redevelopment plans and  
15 projects, including the payment of principal and interest on any bonds  
16 issued to pay the costs of any such plans and projects;

17 (12) To exercise all or any part or combination of powers granted in  
18 this section;

19 (13) To plan, undertake, and carry out neighborhood development  
20 programs consisting of redevelopment project undertakings and activities  
21 in one or more community redevelopment areas which are planned and  
22 carried out on the basis of annual increments in accordance with the  
23 Community Development Law and sections 18-2145 and 18-2146 for planning  
24 and carrying out redevelopment projects;

25 (14) To agree with the governing body of the city for the imposition  
26 of an occupation tax for an enhanced employment area; and

27 (15) To demolish any structure determined by the governing body of  
28 the city to be unsafe or unfit for human occupancy in accordance with  
29 section 18-1722.01.

30 Sec. 4. Section 18-2109, Reissue Revised Statutes of Nebraska, is  
31 amended to read:

1           18-2109 (1) An authority shall not prepare a redevelopment plan for  
2 a redevelopment project area unless the governing body of the city in  
3 which such area is located has, by resolution adopted after the public  
4 hearings required under this section ~~a public hearing with notice~~  
5 ~~provided as specified in section 18-2115~~, declared such area to be a  
6 substandard and blighted area in need of redevelopment.

7           (2) Prior to making such declaration, the ~~The~~ governing body of the  
8 city shall conduct a study or an analysis on whether the area is  
9 substandard and blighted and shall submit the question of whether such an  
10 area is substandard and blighted to the planning commission or board of  
11 the city for its review and recommendation ~~prior to making its~~  
12 ~~declaration.~~ The planning commission or board shall hold a public hearing  
13 on the question after giving reasonable public notice thereof by  
14 publication at least once a week for two consecutive weeks in a legal  
15 newspaper in or of general circulation in the community, the time of the  
16 hearing to be at least ten days from the last publication. The notice  
17 shall describe the time, date, place, and purpose of the hearing, shall  
18 specifically identify the area to be declared substandard and blighted,  
19 and shall provide information on where to find copies of the substandard  
20 and blighted study or analysis conducted pursuant to this subsection. In  
21 addition, the governing body of the city or such other division of the  
22 city or person as the governing body shall designate shall, at least ten  
23 days prior to the public hearing, provide notice of the hearing to each  
24 registered neighborhood association whose area of representation is  
25 located in whole or in part within a one-mile radius of the area to be  
26 declared substandard and blighted in the manner requested by the  
27 association and mail notice of the hearing by certified mail, return  
28 receipt requested, to the president or chairperson of the governing body  
29 of each county, school district, community college area, educational  
30 service unit, and natural resources district in which the real property  
31 to be declared substandard and blighted is located. Such notice shall set

1 out the time, date, place, and purpose of the hearing, shall include a  
2 map of sufficient size to show the area to be declared substandard and  
3 blighted, and shall provide information on where to find copies of the  
4 substandard and blighted study or analysis conducted pursuant to this  
5 subsection. The planning commission or board shall submit its written  
6 recommendations to the governing body of the city within thirty days  
7 after the public hearing receipt of the request. Upon receipt of the  
8 recommendations or after thirty days if no recommendation is received,  
9 the governing body may make its declaration.

10 (3) Upon receipt of the recommendations of the planning commission  
11 or board, the governing body shall hold a public hearing on the question  
12 of whether the area is substandard and blighted after giving reasonable  
13 public notice thereof by publication at least once a week for two  
14 consecutive weeks in a legal newspaper in or of general circulation in  
15 the community, the time of the hearing to be at least ten days from the  
16 last publication. The notice shall describe the time, date, place, and  
17 purpose of the hearing, shall specifically identify the area to be  
18 declared substandard and blighted, and shall provide information on where  
19 to find copies of the substandard and blighted study or analysis  
20 conducted pursuant to subsection (2) of this section. In addition, the  
21 governing body or such other division of the city or person as the  
22 governing body shall designate shall, at least ten days prior to the  
23 public hearing, provide notice of the hearing to each registered  
24 neighborhood association whose area of representation is located in whole  
25 or in part within a one-mile radius of the area to be declared  
26 substandard and blighted in the manner requested by the association and  
27 mail notice of the hearing by certified mail, return receipt requested,  
28 to the president or chairperson of the governing body of each county,  
29 school district, community college area, educational service unit, and  
30 natural resources district in which the real property to be declared  
31 substandard and blighted is located. Such notice shall set out the time,

1 date, place, and purpose of the hearing, shall include a map of  
2 sufficient size to show the area to be declared substandard and blighted,  
3 and shall provide information on where to find copies of the substandard  
4 and blighted study or analysis conducted pursuant to subsection (2) of  
5 this section. At the public hearing, all interested parties shall be  
6 afforded a reasonable opportunity to express their views respecting the  
7 proposed declaration. After such hearing, the governing body of the city  
8 may make its declaration.

9       (4) Each neighborhood association desiring to receive notice of any  
10 hearing required under this section shall register with the city's  
11 planning department or, if there is no planning department, with the city  
12 clerk. The registration shall include a description of the area of  
13 representation of the association, the name of and contact information  
14 for the individual designated by the association to receive the notice on  
15 its behalf, and the requested manner of service, whether by email, first-  
16 class mail, or certified mail. Registration of the neighborhood  
17 association for the purposes of this section shall be accomplished in  
18 accordance with such other rules and regulations as may be adopted and  
19 promulgated by the city.

20       (5) Copies of each substandard and blighted study or analysis  
21 conducted pursuant to subsection (2) of this section shall be posted on  
22 the city's public web site or made available for public inspection at a  
23 location designated by the city.

24       Sec. 5. Section 18-2113, Reissue Revised Statutes of Nebraska, is  
25 amended to read:

26       18-2113 (1) Prior to recommending a redevelopment plan to the  
27 governing body for approval, an authority shall consider whether the  
28 proposed land uses and building requirements in the redevelopment project  
29 area are designed with the general purpose of accomplishing, in  
30 conformance with the general plan, a coordinated, adjusted, and  
31 harmonious development of the city and its environs which will, in



1 accordance with present and future needs, promote health, safety, morals,  
2 order, convenience, prosperity, and the general welfare, as well as  
3 efficiency and economy in the process of development, including, among  
4 other things, adequate provision for traffic, vehicular parking, the  
5 promotion of safety from fire, panic, and other dangers, adequate  
6 provision for light and air, the promotion of the healthful and  
7 convenient distribution of population, the provision of adequate  
8 transportation, water, sewerage, and other public utilities, schools,  
9 parks, recreational and community facilities, and other public  
10 requirements, the promotion of sound design and arrangement, the wise and  
11 efficient expenditure of public funds, and the prevention of the  
12 recurrence of insanitary or unsafe dwelling accommodations or conditions  
13 of blight.

14 (2) The authority shall conduct a cost-benefit analysis for each  
15 redevelopment project whose redevelopment plan includes the division of  
16 taxes as provided in use of funds authorized by section 18-2147. In  
17 conducting the cost-benefit analysis, the authority shall use a cost-  
18 benefit model developed for use by local projects. Any cost-benefit model  
19 used by the authority shall consider and analyze the following factors:

20 (a) Tax shifts resulting from the division of taxes as provided in  
21 approval of the use of funds pursuant to section 18-2147;

22 (b) Public infrastructure and community public service needs impacts  
23 and local tax impacts arising from the approval of the redevelopment  
24 project;

25 (c) Impacts on employers and employees of firms locating or  
26 expanding within the boundaries of the area of the redevelopment project;

27 (d) Impacts on other employers and employees within the city or  
28 village and the immediate area that are located outside of the boundaries  
29 of the area of the redevelopment project; ~~and~~

30 (e) Impacts on the student populations of school districts within  
31 the city or village; and

1           (f) ~~(e)~~ Any other impacts determined by the authority to be relevant  
2 to the consideration of costs and benefits arising from the redevelopment  
3 project.

4           (3) Copies of each cost-benefit analysis conducted pursuant to  
5 subsection (2) of this section shall be posted on the city's public web  
6 site or made available for public inspection at a location designated by  
7 the city.

8           (4) A redevelopment project that includes the division of taxes as  
9 provided in section 18-2147 shall not provide for the reimbursement of  
10 costs incurred prior to approval of the redevelopment project, except for  
11 costs relating to:

12           (a) The preparation of materials and applications related to the  
13 redevelopment project, as required by the city;

14           (b) The preparation of a cost-benefit analysis conducted pursuant to  
15 this section;

16           (c) The preparation of a redevelopment contract;

17           (d) The preparation of bond and other financing instruments;

18           (e) Land acquisition and related due diligence activities,  
19 including, but not limited to, surveys and environmental studies; and

20           (f) Site demolition.

21           Sec. 6. Section 18-2115, Revised Statutes Cumulative Supplement,  
22 2016, is amended to read:

23           18-2115 (1) The planning commission or board of the city shall hold  
24 a public hearing on any redevelopment plan or substantial modification  
25 thereof recommended by the authority after giving reasonable public  
26 notice thereof by publication at least once a week for two consecutive  
27 weeks in a legal newspaper in or of general circulation in the community,  
28 the time of the hearing to be at least ten days from the last  
29 publication. The notice shall describe the time, date, place, and purpose  
30 of the hearing, shall specifically identify the area to be redeveloped  
31 under the plan, and shall provide information on where to find copies of

1 any cost-benefit analysis conducted pursuant to section 18-2113. In  
2 addition, the governing body of the city or such other division of the  
3 city or person as the governing body shall designate shall, at least ten  
4 days prior to the public hearing, provide notice of the hearing to each  
5 registered neighborhood association whose area of representation is  
6 located in whole or in part within a one-mile radius of the area to be  
7 redeveloped in the manner requested by the association and mail notice of  
8 the hearing by certified mail, return receipt requested, to the president  
9 or chairperson of the governing body of each county, school district,  
10 community college area, educational service unit, and natural resources  
11 district in which the real property subject to such plan or major  
12 modification is located. Such notice shall set out the time, date, place,  
13 and purpose of the hearing, shall include a map of sufficient size to  
14 show the area to be redeveloped, and shall provide information on where  
15 to find copies of any cost-benefit analysis conducted pursuant to section  
16 18-2113.

17 (2) After the hearing required under subsection (1) of this section,  
18 the (1) The governing body of the city shall hold a public hearing on any  
19 redevelopment plan or substantial modification thereof recommended by the  
20 authority, after giving reasonable public notice thereof by publication  
21 at least once a week for two consecutive weeks in a legal newspaper in or  
22 of general circulation in the community, the time of the hearing to be at  
23 least ten days from the last publication. The notice shall describe the  
24 time, date, place, and purpose of the hearing, and shall specifically  
25 identify the area to be redeveloped under the plan, and shall provide  
26 information on where to find copies of any cost-benefit analysis  
27 conducted pursuant to section 18-2113. In addition .—All interested  
28 parties shall be afforded at such public hearing a reasonable opportunity  
29 to express their views respecting the proposed redevelopment plan.(2)  
30 Except as provided in subsection (3) of this section, the governing body  
31 of the city or such other division of the city or person as the governing

1 body shall designate shall, at least ten days prior to the public hearing  
2 ~~required by subsection (1) of this section,~~ provide notice of the hearing  
3 to each registered neighborhood association whose area of representation  
4 is located in whole or in part within a one-mile radius of the area to be  
5 redeveloped in the manner requested by the association and mail notice of  
6 the hearing by ~~first-class United States mail, postage prepaid, or by~~  
7 ~~certified mail, return receipt requested,~~ to the president or chairperson  
8 of the governing body of each county, school district, community college  
9 area, educational service unit, and natural resources district in which  
10 the real property subject to such plan or major modification is located  
11 ~~and whose property tax receipts would be directly affected. Such~~ The  
12 notice shall set out the time, date, place, and purpose of the hearing,  
13 ~~and shall include a map of sufficient size to show the area to be~~  
14 ~~redeveloped, and shall provide information on where to find copies of any~~  
15 ~~cost-benefit analysis conducted pursuant to section 18-2113. At the~~  
16 ~~public hearing, all interested parties shall be afforded a reasonable~~  
17 ~~opportunity to express their views respecting the proposed redevelopment~~  
18 ~~plan.~~

19 ~~(3) If the planning board or planning commission of the city will~~  
20 ~~conduct a public hearing on the redevelopment plan or substantial~~  
21 ~~modification thereof, the governing body of the city or such other~~  
22 ~~division of the city or person as the governing body shall designate~~  
23 ~~shall, at least ten days prior to the public hearing, provide notice of~~  
24 ~~the hearing to each registered neighborhood association whose area of~~  
25 ~~representation is located in whole or in part within a one-mile radius of~~  
26 ~~the area to be redeveloped in the manner requested by the association and~~  
27 ~~mail notice of the hearing by first-class United States mail, postage~~  
28 ~~prepaid, or by certified mail to the president or chairperson of the~~  
29 ~~governing body of each county, school district, community college,~~  
30 ~~educational service unit, and natural resources district in which the~~  
31 ~~real property subject to such plan or major modification is located and~~

1 ~~whose property tax receipts would be directly affected. The notice shall~~  
2 ~~set out the time, date, place, and purpose of the hearing and shall~~  
3 ~~include a map of sufficient size to show the area to be redeveloped. If~~  
4 ~~the registered neighborhood association has been given notice of the~~  
5 ~~public hearing to be held by the planning board or planning commission in~~  
6 ~~conformity with the provisions of this subsection, the governing body or~~  
7 ~~its designee shall not be required to comply with the notice requirements~~  
8 ~~of subsection (2) of this section.~~

9       (3) (4) Each neighborhood association desiring to receive notice of  
10 any hearing required under ~~as provided in~~ this section shall register  
11 with the city's planning department or, if there is no planning  
12 department, with the city clerk. The registration shall include a  
13 description of the area of representation of the association, the name of  
14 and contact information for the individual designated by the association  
15 to receive the notice on its behalf, and the requested manner of service,  
16 whether by email, first-class mail, or certified ~~or regular, certified,~~  
17 ~~or registered~~ mail. Registration of the neighborhood association for the  
18 purposes of this section shall be accomplished in accordance with such  
19 other rules and regulations as may be adopted and promulgated by the  
20 city.

21       Sec. 7. Section 18-2116, Reissue Revised Statutes of Nebraska, is  
22 amended to read:

23       18-2116 (1) Following the public hearings required under section  
24 18-2115 ~~such hearing~~, the governing body may approve a redevelopment plan  
25 if (a) it finds that the plan is feasible and in conformity with the  
26 general plan for the development of the city as a whole and the plan is  
27 in conformity with the legislative declarations and determinations set  
28 forth in the Community Development Law and (b) it finds that, if the plan  
29 uses funds authorized in section 18-2147, (i) the redevelopment project  
30 in the plan would not be economically feasible without the use of tax-  
31 increment financing, (ii) the redevelopment project would not occur in

1 the community redevelopment area without the use of tax-increment  
2 financing, and (iii) the costs and benefits of the redevelopment project,  
3 including costs and benefits to other affected political subdivisions,  
4 the economy of the community, and the demand for public and private  
5 services have been analyzed by the governing body and have been found to  
6 be in the long-term best interest of the community impacted by the  
7 redevelopment project.

8 (2) In connection with the approval of any redevelopment plan which  
9 includes the designation of an enhanced employment area, the governing  
10 body may approve the redevelopment plan if it determines that any new  
11 investment within such enhanced employment area will result in at least  
12 (a) two new employees and new investment of one hundred twenty-five  
13 thousand dollars in counties with fewer than fifteen thousand  
14 inhabitants, (b) five new employees and new investment of two hundred  
15 fifty thousand dollars in counties with at least fifteen thousand  
16 inhabitants but fewer than twenty-five thousand inhabitants, (c) ten new  
17 employees and new investment of five hundred thousand dollars in counties  
18 with at least twenty-five thousand inhabitants but fewer than fifty  
19 thousand inhabitants, (d) fifteen new employees and new investment of one  
20 million dollars in counties with at least fifty thousand inhabitants but  
21 fewer than one hundred thousand inhabitants, (e) twenty new employees and  
22 new investment of one million five hundred thousand dollars in counties  
23 with at least one hundred thousand inhabitants but fewer than two hundred  
24 thousand inhabitants, (f) twenty-five new employees and new investment of  
25 two million dollars in counties with at least two hundred thousand  
26 inhabitants but fewer than four hundred thousand inhabitants, or (g)  
27 thirty new employees and new investment of three million dollars in  
28 counties with at least four hundred thousand inhabitants. Any business  
29 that has one hundred thirty-five thousand square feet or more and annual  
30 gross sales of ten million dollars or more shall provide an employer-  
31 provided health benefit of at least three thousand dollars annually to

1 all new employees who are working thirty hours per week or more on  
2 average and have been employed at least six months. In making such  
3 determination, the governing body may rely upon written undertakings  
4 provided by any redeveloper in connection with application for approval  
5 of the redevelopment plan.

6 Sec. 8. Section 18-2117.01, Reissue Revised Statutes of Nebraska, is  
7 amended to read:

8 18-2117.01 (1) On or before December 1 each year, each city which  
9 has approved one or more redevelopment plans which are financed in whole  
10 or in part through the division of taxes use of tax-increment financing  
11 as provided in section 18-2147 shall provide a report to the Property Tax  
12 Administrator on each such redevelopment plan which includes the  
13 following information:

14 (a) A copy of the redevelopment plan and any amendments thereto ~~if~~  
15 ~~they have not been previously filed~~, including the date upon which the  
16 redevelopment plan was approved, the effective date for dividing the ad  
17 valorem tax as provided to the county assessor pursuant to subsection (4)  
18 ~~(3)~~ of section 18-2147, and the location and boundaries of the property  
19 in the redevelopment project; ~~and~~

20 (b) A short narrative description of the type of development  
21 undertaken by the city or village with the financing and the type of  
22 business or commercial activity locating within the redevelopment project  
23 area as a result of the redevelopment project; and -

24 (c) A list of all redevelopment projects that have been audited  
25 pursuant to subsection (5) of this section since the last report was  
26 filed and a list of all redevelopment projects to be audited pursuant to  
27 such subsection in the next twelve months.

28 (2) The report required under subsection (1) of this section must be  
29 filed each year, regardless of whether the information in the report has  
30 changed, except that a city is not required to refile a copy of the  
31 redemption plan or an amendment thereto if such copy or amendment has

1 previously been filed.

2       (3) ~~(2)~~ The Property Tax Administrator shall compile a report for  
3 each active redevelopment project, based upon information provided by the  
4 cities pursuant to subsection (1) of this section and information  
5 reported by the county assessor or county clerk on the certificate of  
6 taxes levied pursuant to section 77-1613.01. Each report shall be  
7 electronically transmitted to the Clerk of the Legislature not later than  
8 March 1 each year. The report may include any recommendations of the  
9 Property Tax Administrator as to what other information should be  
10 included in the report from the cities so as to facilitate analysis of  
11 the uses, purposes, and effectiveness of tax-increment financing and the  
12 process for its implementation or to streamline the reporting process  
13 provided for in this section to eliminate unnecessary paperwork.

14       (4) On and after the effective date of this act, each city which has  
15 approved one or more redevelopment plans or redevelopment projects which  
16 are financed in whole or in part through the division of taxes as  
17 provided in section 18-2147 shall retain copies of all such redevelopment  
18 plans and all supporting documents associated with the redevelopment  
19 plans or redevelopment projects and with any related substandard and  
20 blighted declaration under section 18-2109. The city shall retain such  
21 redevelopment plans and supporting documents for the period of time  
22 required under any applicable records retention schedule adopted under  
23 the Records Management Act or for three years following the end of the  
24 last fiscal year in which ad valorem taxes are divided, whichever period  
25 is longer. For purposes of this subsection, supporting document includes  
26 any substandard and blighted study or analysis conducted pursuant to  
27 section 18-2109, any cost-benefit analysis conducted pursuant to section  
28 18-2113, and any invoice, receipt, claim, or contract received or  
29 generated by the city that provides support for receipts or payments  
30 associated with the redevelopment plan or redevelopment project.

31       (5) Each city which has approved one or more redevelopment plans



1 containing a provision to divide taxes as provided in section 18-2147  
2 shall establish an auditing plan to provide for regular review of  
3 redevelopment projects approved pursuant to such redevelopment plan or  
4 plans. Such auditing plan shall only apply for such period of time as  
5 taxes are being divided pursuant to section 18-2147 for such  
6 redevelopment project. The auditing plan shall require that each audit  
7 include a comparison between the initial projected valuation of property  
8 included in a redevelopment project as described in the redevelopment  
9 contract and the assessed value of the property included in such  
10 redevelopment project as of January 1 of the year the audit is conducted.  
11 Copies of each audit conducted under the auditing plan shall be submitted  
12 to the governing body and shall be posted on the city's public web site  
13 or made available for public inspection at a location designated by the  
14 city.

15 (6) On or before May 1 of each year, the planning commission or  
16 board of each city that has approved one or more redevelopment projects  
17 which are financed in whole or in part through the division of taxes as  
18 provided in section 18-2147, or such other division or department of the  
19 city as designated by the governing board, shall compile information  
20 regarding the approval and progress of such redevelopment projects and  
21 report such information to the governing body. The report shall include,  
22 but not be limited to, the following information:

23 (a) The total number of redevelopment projects within the city that  
24 have been financed in whole or in part through the division of taxes as  
25 provided in section 18-2147;

26 (b) The total estimated project costs for all such redevelopment  
27 projects;

28 (c) The number of such redevelopment projects for which financing  
29 has been paid in full during the previous calendar year and for which  
30 taxes are no longer being divided pursuant to section 18-2147;

31 (d) The number of such redevelopment projects approved by the

1 governing body in the previous calendar year;

2 (e) Information specific to each such redevelopment project approved  
3 by the governing body in the previous calendar year, including the  
4 project area, project type, amount of financing approved, and total  
5 estimated project costs; and

6 (f) The percentage of the city that has been designated as blighted.

7 Sec. 9. Section 18-2119, Revised Statutes Cumulative Supplement,  
8 2016, is amended to read:

9 18-2119 (1) An authority shall, by public notice by publication once  
10 each week for two consecutive weeks in a legal newspaper having a general  
11 circulation in the city, prior to the consideration of any redevelopment  
12 contract proposal relating to real estate owned or to be owned by the  
13 authority, invite proposals from, and make available all pertinent  
14 information to, private redevelopers or any persons interested in  
15 undertaking the redevelopment of an area, or any part thereof, which the  
16 governing body has declared to be in need of redevelopment. Such notice  
17 shall identify the area, and shall state that such further information as  
18 is available may be obtained at the office of the authority. The  
19 authority shall consider all redevelopment proposals and the financial  
20 and legal ability of the prospective redevelopers to carry out their  
21 proposals and may negotiate with any redevelopers for proposals for the  
22 purchase or lease of any real property in the redevelopment project area.  
23 The authority may accept such redevelopment contract proposal as it deems  
24 to be in the public interest and in furtherance of the purposes of the  
25 Community Development Law if the authority has, not less than thirty days  
26 prior thereto, notified the governing body in writing of its intention to  
27 accept such redevelopment contract proposal. Thereafter, the authority  
28 may execute such redevelopment contract in accordance with the provisions  
29 of section 18-2118 and deliver deeds, leases, and other instruments and  
30 take all steps necessary to effectuate such redevelopment contract. In  
31 its discretion, the authority may, without regard to the foregoing

1 provisions of this section, dispose of real property in a redevelopment  
2 project area to private redevelopers for redevelopment under such  
3 reasonable competitive bidding procedures as it shall prescribe, subject  
4 to the provisions of section 18-2118.

5 (2) In the case of any real estate owned by a redeveloper, the  
6 authority may enter into a redevelopment contract providing for such  
7 undertakings as the authority shall determine appropriate. Any such  
8 redevelopment contract relating to real estate within an enhanced  
9 employment area shall include a statement of the redeveloper's consent  
10 with respect to the designation of the area as an enhanced employment  
11 area, shall be recorded with respect to the real estate owned by the  
12 redeveloper, and shall be binding upon all future owners of such real  
13 estate.

14 (3)(a) Prior to entering into a redevelopment contract pursuant to  
15 this section for a redevelopment plan that includes the division of taxes  
16 ~~use of tax-increment financing~~ as provided in section 18-2147, the  
17 authority shall require the redeveloper to certify the following to the  
18 authority:

19 (i) Whether the redeveloper has filed or intends to file an  
20 application with the Department of Revenue to receive tax incentives  
21 under the Nebraska Advantage Act for a project located or to be located  
22 within the redevelopment project area;

23 (ii) Whether such application includes or will include, as one of  
24 the tax incentives, a refund of the city's local option sales tax  
25 revenue; and

26 (iii) Whether such application has been approved under the Nebraska  
27 Advantage Act.

28 (b) The authority may consider the information provided under  
29 subdivision (3)(a) of this section in determining whether to enter into  
30 the redevelopment contract.

31 (4) A redevelopment contract for a redevelopment plan or

1 redevelopment project that includes the division of taxes as provided in  
2 section 18-2147 shall include a provision requiring that the redeveloper  
3 retain copies of all supporting documents associated with the  
4 redevelopment plan or redevelopment project for three years following the  
5 end of the last fiscal year in which ad valorem taxes are divided and  
6 provide such copies to the city as needed to comply with the city's  
7 retention requirements under subsection (4) of section 18-2117.01. For  
8 purposes of this subsection, supporting document includes any cost-  
9 benefit analysis conducted pursuant to section 18-2113 and any invoice,  
10 receipt, claim, or contract received or generated by the redeveloper that  
11 provides support for receipts or payments associated with the  
12 redevelopment plan or redevelopment project.

13 (5) A redevelopment contract for a redevelopment plan that includes  
14 the division of taxes as provided in section 18-2147 may include a  
15 provision requiring that all ad valorem taxes levied upon real property  
16 in a redevelopment project be paid before such taxes become delinquent in  
17 order for such redevelopment project to receive funds from such division  
18 of taxes.

19 Sec. 10. Section 18-2147, Revised Statutes Cumulative Supplement,  
20 2016, is amended to read:

21 18-2147 (1) Any redevelopment plan as originally approved or as  
22 later modified pursuant to section 18-2117 may contain a provision that  
23 any ad valorem tax levied upon real property, or any portion thereof, in  
24 a redevelopment project for the benefit of any public body shall be  
25 divided, for a period not to exceed fifteen years after the effective  
26 date as identified in the project redevelopment contract or in the  
27 resolution of the authority authorizing the issuance of bonds pursuant to  
28 section 18-2124, as follows:

29 (a) That portion of the ad valorem tax which is produced by the levy  
30 at the rate fixed each year by or for each such public body upon the  
31 redevelopment project valuation shall be paid into the funds of each such

1 public body in the same proportion as are all other taxes collected by or  
2 for the body. When there is not a redevelopment project valuation on a  
3 parcel or parcels, the county assessor shall determine the redevelopment  
4 project valuation based upon the fair market valuation of the parcel or  
5 parcels as of January 1 of the year prior to the year that the ad valorem  
6 taxes are to be divided. The county assessor shall provide written notice  
7 of the redevelopment project valuation to the authority as defined in  
8 section 18-2103 and the owner. The authority or owner may protest the  
9 valuation to the county board of equalization within thirty days after  
10 the date of the valuation notice. All provisions of section 77-1502  
11 except dates for filing of a protest, the period for hearing protests,  
12 and the date for mailing notice of the county board of equalization's  
13 decision are applicable to any protest filed pursuant to this section.  
14 The county board of equalization shall decide any protest filed pursuant  
15 to this section within thirty days after the filing of the protest. The  
16 county clerk shall mail a copy of the decision made by the county board  
17 of equalization on protests pursuant to this section to the authority or  
18 owner within seven days after the board's decision. Any decision of the  
19 county board of equalization may be appealed to the Tax Equalization and  
20 Review Commission, in accordance with section 77-5013, within thirty days  
21 after the date of the decision;

22 (b) That portion of the ad valorem tax on real property, as provided  
23 in the redevelopment contract or bond resolution, in the redevelopment  
24 project in excess of such amount, if any, shall be allocated to and, when  
25 collected, paid into a special fund of the authority to be used solely to  
26 pay the principal of, the interest on, and any premiums due in connection  
27 with the bonds of, loans, notes, or advances of money to, or indebtedness  
28 incurred by, whether funded, refunded, assumed, or otherwise, such  
29 authority for financing or refinancing, in whole or in part, the  
30 redevelopment project. When such bonds, loans, notes, advances of money,  
31 or indebtedness, including interest and premiums due, have been paid, the

1 authority shall so notify the county assessor and county treasurer and  
2 all ad valorem taxes upon taxable real property in such a redevelopment  
3 project shall be paid into the funds of the respective public bodies; and

4 (c) Any interest and penalties due for delinquent taxes shall be  
5 paid into the funds of each public body in the same proportion as are all  
6 other taxes collected by or for the public body.

7 (2) To the extent that a redevelopment project divides the ad  
8 valorem taxes levied upon only a portion of the real property included in  
9 such redevelopment project, such portion shall be clearly related to the  
10 redevelopment project.

11 (3) {2} The effective date of a provision dividing ad valorem taxes  
12 as provided in subsection (1) of this section shall not occur until such  
13 time as the real property in the redevelopment project is within the  
14 corporate boundaries of the city. This subsection shall not apply to a  
15 redevelopment project involving a formerly used defense site as  
16 authorized in section 18-2123.01.

17 (4) {3} Beginning August 1, 2006, all notices of the provision for  
18 dividing ad valorem taxes shall be sent by the authority to the county  
19 assessor on forms prescribed by the Property Tax Administrator. The  
20 notice shall be sent to the county assessor on or before August 1 of the  
21 year of the effective date of the provision. Failure to satisfy the  
22 notice requirement of this section shall result in the taxes, for all  
23 taxable years affected by the failure to give notice of the effective  
24 date of the provision, remaining undivided and being paid into the funds  
25 for each public body receiving property taxes generated by the property  
26 in the redevelopment project. However, the redevelopment project  
27 valuation for the remaining division of ad valorem taxes in accordance  
28 with subdivisions (1)(a) and (b) of this section shall be the last  
29 certified valuation for the taxable year prior to the effective date of  
30 the provision to divide the taxes for the remaining portion of the  
31 fifteen-year period pursuant to subsection (1) of this section.

1           Sec. 11. Section 77-1704.01, Revised Statutes Cumulative Supplement,  
2 2016, is amended to read:

3           77-1704.01 (1) The county treasurer shall include with each tax  
4 notice to every taxpayer and with each receipt provided to a taxpayer the  
5 following information:

6           (a) The total amount of aid from state sources appropriated to the  
7 county and each city, village, and school district in the county;

8           (b) The net amount of property taxes to be levied by the county and  
9 each city, village, school district, and learning community in the  
10 county;

11           (c) For real property, the amount of taxes reflected on the  
12 statement that are levied by the county, city, village, school district,  
13 learning community, and other subdivisions for the tax year and for the  
14 immediately past year on the same parcel; ~~and~~

15           (d) For real property that has its taxes divided under section  
16 18-2147 as part of a redevelopment project under the Community  
17 Development Law, the amount of taxes reflected on the statement that are  
18 allocated to the county, city, village, school district, learning  
19 community, and other subdivisions, the amount of taxes reflected on the  
20 statement that are allocated to the redevelopment project, and a  
21 statement explaining that taxes on the real property have been divided as  
22 part of a redevelopment project under the Community Development Law for a  
23 period not to exceed fifteen years; and

24           (e) ~~(d)~~ For taxes levied for fiscal year 2017-18 on real property  
25 within a learning community, statements explaining that the school  
26 district levies for learning community member districts are increasing,  
27 in part, as a result of the expiration of the learning community common  
28 levies, the proceeds of which were distributed directly to school  
29 districts, and that the remaining learning community levies fund  
30 activities of the learning community.

31           (2) The necessary form for furnishing the information required by

1 subdivisions (1)(a), (b), and (e) ~~(d)~~ of this section shall be prescribed  
2 by the Department of Revenue. The necessary information required by  
3 subdivision (1)(a) of this section shall be furnished to the county  
4 treasurer by the Department of Revenue prior to October 1 of each year.  
5 The form prescribed by the Department of Revenue shall contain the  
6 following statement:

7 THE AMOUNT OF STATE FUNDS SHOWN ABOVE WOULD HAVE BEEN ADDITIONAL  
8 PROPERTY TAXES IF NOT ALLOCATED TO THE COUNTY, CITY, VILLAGE, AND SCHOOL  
9 DISTRICT BY THE LEGISLATURE.

10 Sec. 12. Original sections 18-2107, 18-2109, 18-2113, 18-2116, and  
11 18-2117.01, Reissue Revised Statutes of Nebraska, sections 18-2103,  
12 18-2115, 18-2119, 18-2147, and 77-1704.01, Revised Statutes Cumulative  
13 Supplement, 2016, and section 18-2102.01, Revised Statutes Supplement,  
14 2017, are repealed.