

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 95**

Introduced by Crawford, 45; McCollister, 20.

Read first time January 05, 2017

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to the cities and villages; to amend sections  
2 18-2102.01, 18-2109, 18-2111, 18-2113, 18-2116, and 18-2117.01,  
3 Reissue Revised Statutes of Nebraska, and sections 18-2115, 18-2119,  
4 and 18-2147, Revised Statutes Cumulative Supplement, 2016; to change  
5 provisions relating to the Community Development Law and tax-  
6 increment financing; and to repeal the original sections.

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

1 Section 1. Section 18-2102.01, Reissue Revised Statutes of Nebraska,  
2 is 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 authority or  
20 the limited authority. The terms of office of the members of a five-  
21 member authority initially appointed shall be for one year, two years,  
22 three years, four years, and five years, as designated by the mayor,  
23 president, other presiding officer, or city manager in making the  
24 respective appointments. The terms of office of the members of a seven-  
25 member authority initially appointed shall be one member each for one  
26 year, two years, and five years, and two members each for three years and  
27 four years, as designated by the mayor, president, other presiding  
28 officer, or city manager in making the respective appointments. As the  
29 terms of the members of the authority expire in cities not having the  
30 city manager form of government, the mayor, with the approval of the  
31 governing body of the city, shall appoint or reappoint a member of the

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

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

22 Shall the City (or Village) of ..... (name of city or  
 23 village) create a Community Redevelopment Authority of the City (or  
 24 Village) of ..... (name of city or village)?

25 ... Yes

26 ... No.

27 When the ordinance submitted to the electors for approval by a  
 28 majority vote of the electors voting on the ordinance is to create a  
 29 limited community redevelopment authority the proposition shall be stated  
 30 on the ballot as follows:

31 Shall the City (or Village) of ..... (name of city or

1 village) create a Limited Community Redevelopment Authority of the City  
2 (or Village) of ..... (name of city or village)?

3 ... Yes

4 ... No.

5 Vacancies shall be filled for any unexpired term in the same manner  
6 as the original appointment. Members of the authority so appointed shall  
7 hold office until their successors have been appointed and qualified.  
8 Members of a limited authority shall hold office as provided in this  
9 section. All members of the authority shall serve without compensation,  
10 but shall be entitled to be reimbursed for all necessary expenses  
11 incurred.

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

1           (4) No member or employee of any authority established under this  
2 section shall have any interest directly or indirectly in any contract  
3 for property, materials, or services to be required by such authority.

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

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

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

1 audited upon the order of the governing body of the municipality in such  
2 manner as it may direct, and all books and records of the authority shall  
3 at all times be open to public inspection. Each city which has approved  
4 one or more redevelopment plans which are financed in whole or in part  
5 through the use of tax-increment financing as provided in section 18-2147  
6 shall establish an auditing plan to provide regular review of each such  
7 redevelopment plan. The Auditor of Public Accounts may audit, or cause to  
8 be audited, any authority established under this section or any  
9 redevelopment plan of such authority when the Auditor of Public Accounts  
10 determines such audit is necessary or when requested by the governing  
11 body. The authority may contract with the holders of any of its bonds or  
12 notes as to collection, custody, securing investment, and payment of any  
13 money of the authority or any money held in trust or otherwise for the  
14 payment of bonds or notes or in any way to secure bonds or notes. The  
15 authority may carry out the contract notwithstanding that such contract  
16 may be inconsistent with the previous provisions of this subdivision. All  
17 banks, capital stock financial institutions, qualifying mutual financial  
18 institutions, and trust companies are hereby authorized to give security  
19 for the deposits of money of any authority established under the  
20 provisions of this section pursuant to the Public Funds Deposit Security  
21 Act. Section 77-2366 applies to deposits in capital stock financial  
22 institutions. Section 77-2365.01 shall apply to deposits in qualifying  
23 mutual financial institutions.

24 Sec. 2. Section 18-2109, Reissue Revised Statutes of Nebraska, is  
25 amended to read:

26 18-2109 (1) An authority shall not prepare a redevelopment plan for  
27 a redevelopment project area unless the governing body of the city in  
28 which such area is located has, by resolution adopted after the public  
29 hearings required under this section ~~a public hearing with notice~~  
30 ~~provided as specified in section 18-2115~~, declared such area to be a  
31 substandard and blighted area in need of redevelopment.

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

1 ~~the governing body within thirty days after the public hearing receipt of~~  
2 ~~the request. Upon receipt of the recommendations or after thirty days if~~  
3 ~~no recommendation is received, the governing body may make its~~  
4 ~~declaration.~~

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



1 hearing, all interested parties shall be afforded a reasonable  
2 opportunity to express their views respecting the proposed declaration.  
3 After such hearing, the governing body may make its declaration.

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

15       (5) Copies of each substandard and blighted study or analysis  
16 conducted pursuant to subsection (2) of this section shall be posted on  
17 the city's public web site or, if the city does not have a public web  
18 site, shall be made available for public inspection at a location  
19 designated by the city.

20       Sec. 3. Section 18-2111, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22       18-2111   (1) The authority may itself prepare or cause to be  
23 prepared a redevelopment plan or any person or agency, public or private,  
24 may submit such a plan to an authority. A redevelopment plan shall be  
25 sufficiently complete to indicate its relationship to definite local  
26 objectives as to appropriate land uses, improved traffic, public  
27 transportation, public utilities, recreational and community facilities  
28 and other public improvements, and the proposed land uses and building  
29 requirements in the redevelopment project area, and shall include without  
30 being limited to: (a) ~~(1)~~ The boundaries of the redevelopment project  
31 area, with a map showing the existing uses and condition of the real

1 property therein; ~~(b) (2)~~ a land-use plan showing proposed uses of the  
2 area; ~~(c) (3)~~ information showing the standards of population densities,  
3 land coverage, and building intensities in the area after redevelopment;  
4 ~~(d) (4)~~ a statement of the proposed changes, if any, in zoning ordinances  
5 or maps, street layouts, street levels or grades, or building codes and  
6 ordinances; ~~(e) (5)~~ a site plan of the area; and ~~(f) (6)~~ a statement as  
7 to the kind and number of additional public facilities or utilities which  
8 will be required to support the new land uses in the area after  
9 redevelopment. Any redevelopment plan may include a proposal for the  
10 designation of an enhanced employment area.

11 (2) A redevelopment plan that includes the use of tax-increment  
12 financing as provided in section 18-2147 shall not provide for the  
13 reimbursement of costs incurred prior to approval of the redevelopment  
14 plan, except for costs related to:

15 (a) The preparation of the redevelopment plan;

16 (b) The preparation of a substandard and blighted study or analysis  
17 conducted pursuant to section 18-2109; or

18 (c) The preparation of a cost-benefit analysis conducted pursuant to  
19 section 18-2113.

20 Sec. 4. Section 18-2113, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 18-2113 (1) Prior to recommending a redevelopment plan to the  
23 governing body for approval, an authority shall consider whether the  
24 proposed land uses and building requirements in the redevelopment project  
25 area are designed with the general purpose of accomplishing, in  
26 conformance with the general plan, a coordinated, adjusted, and  
27 harmonious development of the city and its environs which will, in  
28 accordance with present and future needs, promote health, safety, morals,  
29 order, convenience, prosperity, and the general welfare, as well as  
30 efficiency and economy in the process of development, including, among  
31 other things, adequate provision for traffic, vehicular parking, the

1 promotion of safety from fire, panic, and other dangers, adequate  
2 provision for light and air, the promotion of the healthful and  
3 convenient distribution of population, the provision of adequate  
4 transportation, water, sewerage, and other public utilities, schools,  
5 parks, recreational and community facilities, and other public  
6 requirements, the promotion of sound design and arrangement, the wise and  
7 efficient expenditure of public funds, and the prevention of the  
8 recurrence of insanitary or unsafe dwelling accommodations or conditions  
9 of blight.

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

16 (a) Tax shifts resulting from the approval of the use of tax-  
17 increment financing funds pursuant to section 18-2147;

18 (b) Public infrastructure and community public service needs impacts  
19 and local tax impacts arising from the approval of the redevelopment  
20 project;

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

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

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

28 (f) (e) Any other impacts determined by the authority to be relevant  
29 to the consideration of costs and benefits arising from the redevelopment  
30 project.

31 (3) No later than five years after the approval of a redevelopment

1 plan which includes the use of tax-increment financing as provided in  
2 section 18-2147, and every five years thereafter, the authority shall  
3 conduct a review and update of the cost-benefit analysis conducted under  
4 subsection (2) of this section. The authority shall present such review  
5 and update to the governing body at a regularly scheduled meeting. Prior  
6 to such meeting, the governing body shall include in any public notice  
7 required for meetings a clear notation that a review and update of the  
8 cost-benefit analysis for a redevelopment plan which includes tax-  
9 increment financing will appear on the agenda for such meeting.

10 (4) Copies of each cost-benefit analysis conducted pursuant to  
11 subsection (2) of this section and of each review and update conducted  
12 pursuant to subsection (3) of this section shall be posted on the city's  
13 public web site or, if the city does not have a public web site, shall be  
14 made available for public inspection at a location designated by the  
15 city.

16 Sec. 5. Section 18-2115, Revised Statutes Cumulative Supplement,  
17 2016, is amended to read:

18 18-2115 (1) The planning commission or board of the city shall hold  
19 a public hearing on any redevelopment plan or substantial modification  
20 thereof recommended by the authority after giving reasonable public  
21 notice thereof by publication at least once a week for two consecutive  
22 weeks in a legal newspaper in or of general circulation in the community,  
23 the time of the hearing to be at least ten days from the last  
24 publication. The notice shall describe the time, date, place, and purpose  
25 of the hearing, shall specifically identify the area to be redeveloped  
26 under the plan, and shall provide information on where to find copies of  
27 any cost-benefit analysis conducted pursuant to section 18-2113. In  
28 addition, the governing body of the city or such other division of the  
29 city or person as the governing body shall designate shall, at least  
30 thirty days prior to the public hearing, provide notice of the hearing to  
31 each registered neighborhood association whose area of representation is

1 located in whole or in part within a one-mile radius of the area to be  
2 redeveloped in the manner requested by the association and mail notice of  
3 the hearing by certified mail, return receipt requested, to the president  
4 or chairperson of the governing body of each county, school district,  
5 community college, educational service unit, and natural resources  
6 district in which the real property subject to such plan or major  
7 modification is located and whose property tax receipts would be directly  
8 affected. Such notice shall set out the time, date, place, and purpose of  
9 the hearing, shall include a map of sufficient size to show the area to  
10 be redeveloped, and shall provide information on where to find copies of  
11 any cost-benefit analysis conducted pursuant to section 18-2113.

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

25 ~~In addition, (2) Except as provided in subsection (3) of this section,~~  
26 ~~the governing body of the city or such other division of the city or~~  
27 ~~person as the governing body shall designate shall, at least thirty ten~~  
28 ~~days prior to the public hearing required by subsection (1) of this~~  
29 ~~section, provide notice of the hearing to each registered neighborhood~~  
30 ~~association whose area of representation is located in whole or in part~~  
31 ~~within a one-mile radius of the area to be redeveloped in the manner~~

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

14 ~~(3) If the planning board or planning commission of the city will~~  
15 ~~conduct a public hearing on the redevelopment plan or substantial~~  
16 ~~modification thereof, the governing body of the city or such other~~  
17 ~~division of the city or person as the governing body shall designate~~  
18 ~~shall, at least ten days prior to the public hearing, provide notice of~~  
19 ~~the hearing to each registered neighborhood association whose area of~~  
20 ~~representation is located in whole or in part within a one-mile radius of~~  
21 ~~the area to be redeveloped in the manner requested by the association and~~  
22 ~~mail notice of the hearing by first-class United States mail, postage~~  
23 ~~prepaid, or by certified mail to the president or chairperson of the~~  
24 ~~governing body of each county, school district, community college,~~  
25 ~~educational service unit, and natural resources district in which the~~  
26 ~~real property subject to such plan or major modification is located and~~  
27 ~~whose property tax receipts would be directly affected. The notice shall~~  
28 ~~set out the time, date, place, and purpose of the hearing and shall~~  
29 ~~include a map of sufficient size to show the area to be redeveloped. If~~  
30 ~~the registered neighborhood association has been given notice of the~~  
31 ~~public hearing to be held by the planning board or planning commission in~~

1 ~~conformity with the provisions of this subsection, the governing body or~~  
2 ~~its designee shall not be required to comply with the notice requirements~~  
3 ~~of subsection (2) of this section.~~

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

15 Sec. 6. Section 18-2116, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17 18-2116 (1) Following the public hearings required under section  
18 18-2115 ~~such hearing~~, the governing body may approve a redevelopment plan  
19 if (a) it finds that the plan is feasible and in conformity with the  
20 general plan for the development of the city as a whole and the plan is  
21 in conformity with the legislative declarations and determinations set  
22 forth in the Community Development Law and (b) it finds that, if the plan  
23 uses funds authorized in section 18-2147, (i) the redevelopment project  
24 in the plan would not be economically feasible without the use of tax-  
25 increment financing, (ii) the redevelopment project would not occur in  
26 the community redevelopment area without the use of tax-increment  
27 financing, and (iii) the costs and benefits of the redevelopment project,  
28 including costs and benefits to other affected political subdivisions,  
29 the economy of the community, and the demand for public and private  
30 services have been analyzed by the governing body and have been found to  
31 be in the long-term best interest of the community impacted by the

1 redevelopment project.

2 (2) In connection with the approval of any redevelopment plan which  
3 includes the designation of an enhanced employment area, the governing  
4 body may approve the redevelopment plan if it determines that any new  
5 investment within such enhanced employment area will result in at least  
6 (a) two new employees and new investment of one hundred twenty-five  
7 thousand dollars in counties with fewer than fifteen thousand  
8 inhabitants, (b) five new employees and new investment of two hundred  
9 fifty thousand dollars in counties with at least fifteen thousand  
10 inhabitants but fewer than twenty-five thousand inhabitants, (c) ten new  
11 employees and new investment of five hundred thousand dollars in counties  
12 with at least twenty-five thousand inhabitants but fewer than fifty  
13 thousand inhabitants, (d) fifteen new employees and new investment of one  
14 million dollars in counties with at least fifty thousand inhabitants but  
15 fewer than one hundred thousand inhabitants, (e) twenty new employees and  
16 new investment of one million five hundred thousand dollars in counties  
17 with at least one hundred thousand inhabitants but fewer than two hundred  
18 thousand inhabitants, (f) twenty-five new employees and new investment of  
19 two million dollars in counties with at least two hundred thousand  
20 inhabitants but fewer than four hundred thousand inhabitants, or (g)  
21 thirty new employees and new investment of three million dollars in  
22 counties with at least four hundred thousand inhabitants. Any business  
23 that has one hundred thirty-five thousand square feet or more and annual  
24 gross sales of ten million dollars or more shall provide an employer-  
25 provided health benefit of at least three thousand dollars annually to  
26 all new employees who are working thirty hours per week or more on  
27 average and have been employed at least six months. In making such  
28 determination, the governing body may rely upon written undertakings  
29 provided by any redeveloper in connection with application for approval  
30 of the redevelopment plan.

31 Sec. 7. Section 18-2117.01, Reissue Revised Statutes of Nebraska, is



1 amended to read:

2 18-2117.01 (1) On or before December 1 each year, each city which  
3 has approved one or more redevelopment plans which are financed in whole  
4 or in part through the use of tax-increment financing as provided in  
5 section 18-2147 shall provide a report to the Property Tax Administrator  
6 on each such redevelopment plan which includes the following information:

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

13 (b) A short narrative description of the type of development  
14 undertaken by the city or village with the financing and the type of  
15 business or commercial activity locating within the redevelopment project  
16 area as a result of the redevelopment project.

17 (2) The report required under subsection (1) of this section must be  
18 filed each year, regardless of whether the information in the report has  
19 changed, except that a city is not required to refile a copy of the  
20 redemption plan or an amendment thereto if such copy or amendment has  
21 previously been filed.

22 (3) ~~(2)~~ The Property Tax Administrator shall compile a report for  
23 each active redevelopment project, based upon information provided by the  
24 cities pursuant to subsection (1) of this section and information  
25 reported by the county assessor or county clerk on the certificate of  
26 taxes levied pursuant to section 77-1613.01. Each report shall be  
27 electronically transmitted to the Clerk of the Legislature not later than  
28 March 1 each year. The report may include any recommendations of the  
29 Property Tax Administrator as to what other information should be  
30 included in the report from the cities so as to facilitate analysis of  
31 the uses, purposes, and effectiveness of tax-increment financing and the

1 process for its implementation or to streamline the reporting process  
2 provided for in this section to eliminate unnecessary paperwork.

3 (4) Each city which has approved one or more redevelopment plans  
4 which are financed in whole or in part through the use of tax-increment  
5 financing as provided in section 18-2147 shall retain copies of all such  
6 redevelopment plans and all supporting documents associated with the  
7 redevelopment plans or with any related substandard and blighted  
8 declaration under section 18-2109. The city shall retain the  
9 redevelopment plans and supporting documents for the period of time  
10 required under any applicable records retention schedule adopted under  
11 the Records Management Act or for three years following the end of the  
12 fiscal year in which ad valorem taxes are divided, whichever period is  
13 longer. For purposes of this subsection, supporting document includes any  
14 substandard and blighted study or analysis conducted pursuant to section  
15 18-2109, any cost-benefit analysis or review and update thereof conducted  
16 pursuant to section 18-2113, and any invoice, receipt, claim, or contract  
17 received or generated by the city that provides support for receipts or  
18 payments associated with the redevelopment plan.

19 Sec. 8. Section 18-2119, Revised Statutes Cumulative Supplement,  
20 2016, is amended to read:

21 18-2119 (1) An authority shall, by public notice by publication once  
22 each week for two consecutive weeks in a legal newspaper having a general  
23 circulation in the city, prior to the consideration of any redevelopment  
24 contract proposal relating to real estate owned or to be owned by the  
25 authority, invite proposals from, and make available all pertinent  
26 information to, private redevelopers or any persons interested in  
27 undertaking the redevelopment of an area, or any part thereof, which the  
28 governing body has declared to be in need of redevelopment. Such notice  
29 shall identify the area, and shall state that such further information as  
30 is available may be obtained at the office of the authority. The  
31 authority shall consider all redevelopment proposals and the financial

1 and legal ability of the prospective redevelopers to carry out their  
2 proposals and may negotiate with any redevelopers for proposals for the  
3 purchase or lease of any real property in the redevelopment project area.  
4 The authority may accept such redevelopment contract proposal as it deems  
5 to be in the public interest and in furtherance of the purposes of the  
6 Community Development Law if the authority has, not less than thirty days  
7 prior thereto, notified the governing body in writing of its intention to  
8 accept such redevelopment contract proposal. Thereafter, the authority  
9 may execute such redevelopment contract in accordance with the provisions  
10 of section 18-2118 and deliver deeds, leases, and other instruments and  
11 take all steps necessary to effectuate such redevelopment contract. In  
12 its discretion, the authority may, without regard to the foregoing  
13 provisions of this section, dispose of real property in a redevelopment  
14 project area to private redevelopers for redevelopment under such  
15 reasonable competitive bidding procedures as it shall prescribe, subject  
16 to the provisions of section 18-2118.

17 (2) In the case of any real estate owned by a redeveloper, the  
18 authority may enter into a redevelopment contract providing for such  
19 undertakings as the authority shall determine appropriate. Any such  
20 redevelopment contract relating to real estate within an enhanced  
21 employment area shall include a statement of the redeveloper's consent  
22 with respect to the designation of the area as an enhanced employment  
23 area, shall be recorded with respect to the real estate owned by the  
24 redeveloper, and shall be binding upon all future owners of such real  
25 estate.

26 (3)(a) Prior to entering into a redevelopment contract pursuant to  
27 this section for a redevelopment plan that includes the use of tax-  
28 increment financing as provided in section 18-2147, the authority shall  
29 require the redeveloper to certify the following to the authority:

30 (i) Whether the redeveloper has filed or intends to file an  
31 application with the Department of Revenue to receive tax incentives

1 under the Nebraska Advantage Act for a project located or to be located  
2 within the redevelopment project area;

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

6 (iii) Whether such application has been approved under the Nebraska  
7 Advantage Act.

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

11 (4) A redevelopment contract for a redevelopment plan that includes  
12 the use of tax-increment financing as provided in section 18-2147 may  
13 include a provision requiring that all ad valorem taxes levied upon real  
14 property in a redevelopment project be paid on time in order for such  
15 redevelopment project to receive tax-increment financing.

16 Sec. 9. Section 18-2147, Revised Statutes Cumulative Supplement,  
17 2016, is amended to read:

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

26 (a) That portion of the ad valorem tax which is produced by the levy  
27 at the rate fixed each year by or for each such public body upon the  
28 redevelopment project valuation shall be paid into the funds of each such  
29 public body in the same proportion as are all other taxes collected by or  
30 for the body. When there is not a redevelopment project valuation on a  
31 parcel or parcels, the county assessor shall determine the redevelopment

1 project valuation based upon the fair market valuation of the parcel or  
2 parcels as of January 1 of the year prior to the year that the ad valorem  
3 taxes are to be divided. The county assessor shall provide written notice  
4 of the redevelopment project valuation to the authority as defined in  
5 section 18-2103 and the owner. The authority or owner may protest the  
6 valuation to the county board of equalization within thirty days after  
7 the date of the valuation notice. All provisions of section 77-1502  
8 except dates for filing of a protest, the period for hearing protests,  
9 and the date for mailing notice of the county board of equalization's  
10 decision are applicable to any protest filed pursuant to this section.  
11 The county board of equalization shall decide any protest filed pursuant  
12 to this section within thirty days after the filing of the protest. The  
13 county clerk shall mail a copy of the decision made by the county board  
14 of equalization on protests pursuant to this section to the authority or  
15 owner within seven days after the board's decision. Any decision of the  
16 county board of equalization may be appealed to the Tax Equalization and  
17 Review Commission, in accordance with section 77-5013, within thirty days  
18 after the date of the decision;

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

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

4 (2) To the extent that a redevelopment plan divides the ad valorem  
5 taxes levied upon only a portion of the real property in a redevelopment  
6 project, such portion shall be clearly related to the redevelopment plan.

7 (3) ~~(2)~~ The effective date of a provision dividing ad valorem taxes  
8 as provided in subsection (1) of this section shall not occur until such  
9 time as the real property in the redevelopment project is within the  
10 corporate boundaries of the city. This subsection shall not apply to a  
11 redevelopment project involving a formerly used defense site as  
12 authorized in section 18-2123.01.

13 (4) ~~(3)~~ Beginning August 1, 2006, all notices of the provision for  
14 dividing ad valorem taxes shall be sent by the authority to the county  
15 assessor on forms prescribed by the Property Tax Administrator. The  
16 notice shall be sent to the county assessor on or before August 1 of the  
17 year of the effective date of the provision. Failure to satisfy the  
18 notice requirement of this section shall result in the taxes, for all  
19 taxable years affected by the failure to give notice of the effective  
20 date of the provision, remaining undivided and being paid into the funds  
21 for each public body receiving property taxes generated by the property  
22 in the redevelopment project. However, the redevelopment project  
23 valuation for the remaining division of ad valorem taxes in accordance  
24 with subdivisions (1)(a) and (b) of this section shall be the last  
25 certified valuation for the taxable year prior to the effective date of  
26 the provision to divide the taxes for the remaining portion of the  
27 fifteen-year period pursuant to subsection (1) of this section.

28 Sec. 10. Original sections 18-2102.01, 18-2109, 18-2111, 18-2113,  
29 18-2116, and 18-2117.01, Reissue Revised Statutes of Nebraska, and  
30 sections 18-2115, 18-2119, and 18-2147, Revised Statutes Cumulative  
31 Supplement, 2016, are repealed.