

LEGISLATURE OF NEBRASKA  
ONE HUNDREDTH LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 562**

FINAL READING

Introduced by Adams, 24; Carlson, 38; Flood, 19; Friend, 10; Mines,  
18; Stuthman, 22

Read first time January 17, 2007

Committee: Urban Affairs

A BILL

1 FOR AN ACT relating to the Community Development Law; to amend  
2 sections 18-2101, 18-2103, 18-2107, 18-2111, 18-2116,  
3 18-2119, and 18-2130, Reissue Revised Statutes of  
4 Nebraska; to define and redefine terms; to provide powers  
5 and duties and change provisions relating to authorities,  
6 redevelopment plans, redevelopment contract proposals,  
7 bonds, occupation tax, and eminent domain as prescribed;  
8 to harmonize provisions; to provide severability; and to  
9 repeal the original sections.  
10 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 18-2101, Reissue Revised Statutes of  
2 Nebraska, is amended to read:

3           18-2101 Sections 18-2101 to 18-2144 and sections 8 to  
4 10 of this act shall be known and may be cited as the Community  
5 Development Law.

6           Sec. 2. Section 18-2103, Reissue Revised Statutes of  
7 Nebraska, is amended to read:

8           18-2103 For purposes of the Community Development Law,  
9 unless the context otherwise requires:

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

15           (2) Limited community redevelopment authority ~~shall mean~~  
16 means a community redevelopment authority created pursuant to  
17 section 18-2102.01 having only one single specific limited pilot  
18 project authorized;

19           (3) City ~~shall mean~~ means any city or incorporated  
20 village in the state;

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

25           (5) Governing body or local governing body ~~shall mean~~

1 means the city council, board of trustees, or other legislative  
2 body charged with governing the municipality;

3 (6) Mayor ~~shall mean~~ means the mayor of the city or  
4 chairperson of the board of trustees of the village;

5 (7) Clerk ~~shall mean~~ means the clerk of the city or  
6 village;

7 (8) Federal government ~~shall mean~~ means the United  
8 States of America, or any agency or instrumentality, corporate  
9 or otherwise, of the United States of America;

10 (9) Area of operation ~~shall mean and include~~ means and  
11 includes the area within the corporate limits of the city and such  
12 land outside the city as may come within the purview of section  
13 18-2123;

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

1           (11) Blighted area ~~shall mean~~ means an area, which  
2     (a) by reason of the presence of a substantial number of  
3     deteriorated or deteriorating structures, existence of defective  
4     or inadequate street layout, faulty lot layout in relation to  
5     size, adequacy, accessibility, or usefulness, insanitary or unsafe  
6     conditions, deterioration of site or other improvements, diversity  
7     of ownership, tax or special assessment delinquency exceeding the  
8     fair value of the land, defective or unusual conditions of title,  
9     improper subdivision or obsolete platting, or the existence of  
10    conditions which endanger life or property by fire and other  
11    causes, or any combination of such factors, substantially impairs  
12    or arrests the sound growth of the community, retards the provision  
13    of housing accommodations, or constitutes an economic or social  
14    liability and is detrimental to the public health, safety, morals,  
15    or welfare in its present condition and use and (b) in which there  
16    is at least one of the following conditions: (i) Unemployment in  
17    the designated area is at least one hundred twenty percent of the  
18    state or national average; (ii) the average age of the residential  
19    or commercial units in the area is at least forty years; (iii)  
20    more than half of the plotted and subdivided property in an area  
21    is unimproved land that has been within the city for forty years  
22    and has remained unimproved during that time; (iv) the per capita  
23    income of the area is lower than the average per capita income  
24    of the city or village in which the area is designated; or (v)  
25    the area has had either stable or decreasing population based

1 on the last two decennial censuses. In no event shall a city  
2 of the metropolitan, primary, or first class designate more than  
3 thirty-five percent of the city as blighted, a city of the second  
4 class shall not designate an area larger than fifty percent of the  
5 city as blighted, and a village shall not designate an area larger  
6 than one hundred percent of the village as blighted;

7 (12) Redevelopment project ~~shall mean~~ means any work  
8 or undertaking in one or more community redevelopment areas: (a)  
9 To acquire substandard and blighted areas or portions thereof,  
10 including lands, structures, or improvements the acquisition  
11 of which is necessary or incidental to the proper clearance,  
12 development, or redevelopment of such substandard and blighted  
13 areas; (b) to clear any such areas by demolition or removal  
14 of existing buildings, structures, streets, utilities, or other  
15 improvements thereon and to install, construct, or reconstruct  
16 streets, utilities, parks, playgrounds, public spaces, public  
17 parking facilities, sidewalks or moving sidewalks, convention and  
18 civic centers, bus stop shelters, lighting, benches or other  
19 similar furniture, trash receptacles, shelters, skywalks and  
20 pedestrian and vehicular overpasses and underpasses, and any  
21 other necessary public improvements essential to the preparation  
22 of sites for uses in accordance with a redevelopment plan; (c)  
23 to sell, lease, or otherwise make available land in such areas  
24 for residential, recreational, commercial, industrial, or other  
25 uses, including parking or other facilities functionally related

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

20 (13) Redevelopment plan ~~shall mean~~ means a plan, as it  
21 exists from time to time for one or more community redevelopment  
22 areas, or for a redevelopment project, which plan (a) ~~shall conform~~  
23 conforms to the general plan for the municipality as a whole,  
24 and (b) ~~shall be~~ is sufficiently complete to indicate such land  
25 acquisition, demolition and removal of structures, redevelopment,

1 improvements, and rehabilitation as may be proposed to be carried  
2 out in the community redevelopment area, zoning and planning  
3 changes, if any, land uses, maximum densities, and building  
4 requirements;

5 (14) Redeveloper ~~shall mean~~ means any person,  
6 partnership, or public or private corporation or agency which ~~shall~~  
7 ~~enter or propose~~ enters or proposes to enter into a redevelopment  
8 contract;

9 (15) Redevelopment contract ~~shall mean~~ means a contract  
10 entered into between an authority and a redeveloper for the  
11 redevelopment of an area in conformity with a redevelopment plan;

12 (16) Real property ~~shall mean~~ means all lands, including  
13 improvements and fixtures thereon, and property of any nature  
14 appurtenant thereto, or used in connection therewith, and every  
15 estate, interest and right, legal or equitable, therein, including  
16 terms for years and liens by way of judgment, mortgage, or  
17 otherwise, and the indebtedness secured by such liens;

18 (17) Bonds ~~shall mean~~ means any bonds, including  
19 refunding bonds, notes, interim certificates, debentures, or other  
20 obligations issued pursuant to the Community Development Law except  
21 for bonds issued pursuant to section 10 of this act;

22 (18) Obligee ~~shall mean~~ means any bondholder, agent, or  
23 trustee for any bondholder, or lessor demising to any authority,  
24 established pursuant to section 18-2102.01, property used in  
25 connection with a redevelopment project, or any assignee or

1 assignees of such lessor's interest or any part thereof, and  
2 the federal government when it is a party to any contract with such  
3 authority;

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

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

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

16 (22) Enhanced employment area means an area not exceeding  
17 six hundred acres (a) within a community redevelopment area which  
18 is designated by an authority as eligible for the imposition of an  
19 occupation tax or (b) not within a community redevelopment area as  
20 may be designated under section 10 of this act;

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

23 (24) Employer-provided health benefit means any item paid  
24 for by the employer in total or in part that aids in the cost  
25 of health care services, including, but not limited to, health



1 insurance, health savings accounts, and employer reimbursement of  
2 health care costs;

3 (25) Equivalent employees means the number of employees  
4 computed by (a) dividing the total hours to be paid in a year by  
5 (b) the product of forty times the number of weeks in a year;

6 (26) Business means any private business located in an  
7 enhanced employment area;

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

11 (28) Number of new employees means the number of  
12 equivalent employees that are employed at a business as a result of  
13 the redevelopment project during a year that are in excess of the  
14 number of equivalent employees during the year immediately prior to  
15 the year that a redevelopment plan is adopted; and

16 (29) Occupation tax means a tax imposed under section 8  
17 of this act.

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

20 18-2107 An authority shall constitute a public body  
21 corporate and politic, exercising public and essential governmental  
22 functions and having all the powers necessary or convenient  
23 to carry out and effectuate the purposes and provisions of  
24 the Community Development Law and sections 18-2147 to 18-2151,  
25 including the power:

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

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

11           (3) To arrange or contract for the furnishing or  
12 repair, by any person or agency, public or private, of services,  
13 privileges, works, streets, roads, public utilities, or other  
14 facilities for or in connection with a redevelopment project; and,  
15 notwithstanding anything to the contrary contained in the Community  
16 Development Law or any other provision of law, to agree to any  
17 conditions that it may deem reasonable and appropriate attached to  
18 federal financial assistance and imposed pursuant to federal law  
19 relating to the determination of prevailing salaries or wages or  
20 compliance with labor standards, in the undertaking or carrying out  
21 of a redevelopment project, and to include in any contract let in  
22 connection with such a project provisions to fulfill such federally  
23 imposed conditions as it may deem reasonable and appropriate;

24           (4) Within its area of operation, to purchase, lease,  
25 obtain options upon, or acquire by gift, grant, bequest, devise,

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

1 enter into any contracts necessary to effectuate the purposes of  
2 the Community Development Law; and to provide grants, loans, or  
3 other means of financing to public or private parties in order to  
4 accomplish the rehabilitation or redevelopment in accordance with  
5 a redevelopment plan. No statutory provision with respect to the  
6 acquisition, clearance, or disposition of property by other public  
7 bodies shall restrict an authority exercising powers hereunder, in  
8 such functions, unless the Legislature shall specifically so state;

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

16 (6) To borrow money and to apply for and accept advances,  
17 loans, grants, contributions, and any other form of financial  
18 assistance from the federal government, from the state, county,  
19 municipality, or other public body, or from any sources, public  
20 or private, including charitable funds, foundations, corporations,  
21 trusts, or bequests, for purposes of the Community Development  
22 Law, to give such security as may be required, and to enter  
23 into and carry out contracts in connection therewith; and  
24 notwithstanding any other provision of law, to include in any  
25 contract for financial assistance with the federal government for a

1 redevelopment project such conditions imposed pursuant to federal  
2 law as the authority may deem reasonable and appropriate and which  
3 are not inconsistent with the purposes of the Community Development  
4 Law;

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

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

1           (9) To prepare plans and provide reasonable assistance  
2 for the relocation of families, business concerns, and others  
3 displaced from a redevelopment project area to permit the carrying  
4 out of the redevelopment project to the extent essential for  
5 acquiring possession of and clearing such area or parts thereof;  
6 and to make relocation payments to or with respect to such persons  
7 for moving expenses and losses of property for which reimbursement  
8 or compensation is not otherwise made, including the making of such  
9 payments financed by the federal government;

10           (10) To make such expenditures as may be necessary to  
11 carry out the purposes of the Community Development Law; and to  
12 make expenditures from funds obtained from the federal government  
13 without regard to any other laws pertaining to the making and  
14 approval of appropriations and expenditures;

15           (11) To certify on or before September 20 of each year to  
16 the governing body of the city the amount of tax to be levied for  
17 the succeeding fiscal year for community redevelopment purposes,  
18 not to exceed two and six-tenths cents on each one hundred dollars  
19 upon the taxable value of the taxable property in such city, which  
20 levy is subject to allocation under section 77-3443 on and after  
21 July 1, 1998. The governing body shall levy and collect the taxes  
22 so certified at the same time and in the same manner as other city  
23 taxes are levied and collected, and the proceeds of such taxes,  
24 when due and as collected, shall be set aside and deposited in the  
25 special account or accounts in which other revenue of the authority

1 is deposited. Such proceeds shall be employed to assist in the  
2 defraying of any expenses of redevelopment plans and projects,  
3 including the payment of principal and interest on any bonds issued  
4 to pay the costs of any such plans and projects;

5 (12) To exercise all or any part or combination of powers  
6 granted in this section; ~~and~~

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

14 (14) To agree with the governing body of the city for the  
15 imposition of an occupation tax for an enhanced employment area.

16 Sec. 4. Section 18-2111, Reissue Revised Statutes of  
17 Nebraska, is amended to read:

18 18-2111 The authority may itself prepare or cause to be  
19 prepared a redevelopment plan or any person or agency, public or  
20 private, may submit such a plan to an authority. A redevelopment  
21 plan shall be sufficiently complete to indicate its relationship to  
22 definite local objectives as to appropriate land uses, improved  
23 traffic, public transportation, public utilities, recreational  
24 and community facilities and other public improvements, and the  
25 proposed land uses and building requirements in the redevelopment

1 project area, and shall include without being limited to: (1) The  
2 boundaries of the redevelopment project area, with a map showing  
3 the existing uses and condition of the real property therein; (2)  
4 a land-use plan showing proposed uses of the area; (3) information  
5 showing the standards of population densities, land coverage,  
6 and building intensities in the area after redevelopment; (4) a  
7 statement of the proposed changes, if any, in zoning ordinances or  
8 maps, street layouts, street levels or grades, or building codes  
9 and ordinances; (5) a site plan of the area; and (6) a statement as  
10 to the kind and number of additional public facilities or utilities  
11 which will be required to support the new land uses in the area  
12 after redevelopment. Any redevelopment plan may include a proposal  
13 for the designation of an enhanced employment area.

14 Sec. 5. Section 18-2116, Reissue Revised Statutes of  
15 Nebraska, is amended to read:

16 18-2116 (1) Following such hearing, the governing body  
17 may approve a redevelopment plan if ~~(1)~~ (a) it finds that the  
18 plan is feasible and in conformity with the general plan for  
19 the development of the city as a whole and the plan is in  
20 conformity with the legislative declarations and determinations  
21 set forth in the Community Development Law and ~~(2)~~ (b) it finds  
22 that, if the plan uses funds authorized in section 18-2147,  
23 ~~(a)~~ (i) the redevelopment project in the plan would not be  
24 economically feasible without the use of tax-increment financing,  
25 ~~(b)~~ (ii) the redevelopment project would not occur in the community



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

8 (2) In connection with the approval of any redevelopment  
9 plan which includes the designation of an enhanced employment  
10 area, the governing body may approve the redevelopment plan  
11 if it determines that any new investment within such enhanced  
12 employment area will result in at least (a) two new employees  
13 and new investment of one hundred twenty-five thousand dollars in  
14 counties with fewer than fifteen thousand inhabitants, (b) five  
15 new employees and new investment of two hundred fifty thousand  
16 dollars in counties with at least fifteen thousand inhabitants but  
17 fewer than twenty-five thousand inhabitants, (c) ten new employees  
18 and new investment of five hundred thousand dollars in counties  
19 with at least twenty-five thousand inhabitants but fewer than fifty  
20 thousand inhabitants, (d) fifteen new employees and new investment  
21 of one million dollars in counties with at least fifty thousand  
22 inhabitants but fewer than one hundred thousand inhabitants, (e)  
23 twenty new employees and new investment of one million five hundred  
24 thousand dollars in counties with at least one hundred thousand  
25 inhabitants but fewer than two hundred thousand inhabitants, (f)

1 twenty-five new employees and new investment of two million dollars  
2 in counties with at least two hundred thousand inhabitants but  
3 fewer than four hundred thousand inhabitants, or (g) thirty new  
4 employees and new investment of three million dollars in counties  
5 with at least four hundred thousand inhabitants. Any business  
6 that has one hundred thirty-five thousand square feet or more and  
7 annual gross sales of ten million dollars or more shall provide an  
8 employer-provided health benefit of at least three thousand dollars  
9 annually to all new employees who are working thirty hours per week  
10 or more on average and have been employed at least six months.  
11 In making such determination, the governing body may rely upon  
12 written undertakings provided by any redeveloper in connection with  
13 application for approval of the redevelopment plan.

14           Sec. 6. Section 18-2119, Reissue Revised Statutes of  
15 Nebraska, is amended to read:

16           18-2119 (1) An authority shall, by public notice by  
17 publication once each week for two consecutive weeks in a legal  
18 newspaper having a general circulation in the city, prior to  
19 the consideration of any redevelopment contract proposal relating  
20 to real estate owned or to be owned by the authority, invite  
21 proposals from, and make available all pertinent information to,  
22 private redevelopers or any persons interested in undertaking  
23 the redevelopment of an area, or any part thereof, which the  
24 governing body has declared to be in need of redevelopment.  
25 Such notice shall identify the area, and shall state that such

1 further information as is available may be obtained at the office  
2 of the authority. The authority shall consider all redevelopment  
3 proposals and the financial and legal ability of the prospective  
4 redevelopers to carry out their proposals and may negotiate with  
5 any redevelopers for proposals for the purchase or lease of any  
6 real property in the redevelopment project area. The authority may  
7 accept such redevelopment contract proposal as it deems to be in  
8 the public interest and in furtherance of the purposes of ~~sections~~  
9 ~~18-2101 to 18-2144~~, ~~PROVIDED~~, that the Community Development Law  
10 if the authority has, not less than thirty days prior thereto,  
11 notified the governing body in writing of its intention to accept  
12 such redevelopment contract proposal. Thereafter, the authority  
13 may execute such redevelopment contract in accordance with the  
14 provisions of section 18-2118 and deliver deeds, leases, and  
15 other instruments and take all steps necessary to effectuate  
16 such redevelopment contract. In its discretion, the authority  
17 may, without regard to the foregoing provisions of this section,  
18 dispose of real property in a redevelopment project area to private  
19 redevelopers for redevelopment under such reasonable competitive  
20 bidding procedures as it shall prescribe, subject to the provisions  
21 of section 18-2118.

22 (2) In the case of any real estate owned by a  
23 redeveloper, the authority may enter into a redevelopment contract  
24 providing for such undertakings as the authority shall determine  
25 appropriate. Any such redevelopment contract relating to real

1 estate within an enhanced employment area shall include a statement  
2 of the redeveloper's consent with respect to the designation of the  
3 area as an enhanced employment area, shall be recorded with respect  
4 to the real estate owned by the redeveloper, and shall be binding  
5 upon all future owners of such real estate.

6           Sec. 7. Section 18-2130, Reissue Revised Statutes of  
7 Nebraska, is amended to read:

8           18-2130 In connection with the issuance of bonds or the  
9 incurring of obligations under leases and in order to secure the  
10 payment of such bonds or obligations, an authority, in addition to  
11 its other powers, shall have power: (1) To pledge all or any part  
12 of its gross or net rents, fees, or revenue to which its right  
13 then exists or may thereafter come into existence; (2) to mortgage  
14 all or any part of its real or personal property, then owned or  
15 thereafter acquired; (3) to covenant against pledging all or any  
16 part of its rents, fees, and revenue, or against mortgaging all or  
17 any part of its real or personal property, to which its right or  
18 title then exists or may thereafter come into existence, or against  
19 permitting or suffering any lien on such revenue or property; to  
20 covenant with respect to limitations on its right to sell, lease,  
21 or otherwise dispose of any redevelopment project, or any part  
22 thereof; and to covenant as to what other or additional debts  
23 or obligations may be incurred by it; (4) to covenant as to the  
24 bonds to be issued and as to the issuance of such bonds in escrow  
25 or otherwise, and as to the use and disposition of the proceeds

1 thereof; to provide for the replacement of lost, destroyed, or  
2 mutilated bonds; to covenant against extending the time for the  
3 payment of its bonds or interest thereon; and to covenant for the  
4 redemption of the bonds and to provide the terms and conditions  
5 thereof; (5) to covenant, subject to the limitations contained in  
6 ~~sections 18-2101 to 18-2144,~~ the Community Development Law, as to  
7 the amount of revenue to be raised each year or other period of  
8 time by rents, fees, and other revenue, and as to the use and  
9 disposition to be made thereof; to establish or to authorize the  
10 establishment of special funds for money held for operating costs,  
11 debt service, reserves, or other purposes, and to covenant as to  
12 the use and disposition of the money held in such funds; (6)  
13 to prescribe the procedure, if any, by which the terms of any  
14 contract with bondholders may be amended or abrogated, the amount  
15 of bonds the holders of which must consent thereto and the manner  
16 in which such consent may be given; (7) to covenant as to the  
17 use, maintenance, and replacement of any or all of its real or  
18 personal property, the insurance to be carried thereon, and the  
19 use and disposition of insurance money, and to warrant its title  
20 to such property; (8) to covenant as to the rights, liabilities,  
21 powers, and duties arising upon the breach by it of any covenants,  
22 conditions, or obligations; and to covenant and prescribe as to  
23 events of default and terms and conditions upon which any or all  
24 of its bonds or obligations shall become or may be declared due  
25 before maturity, and as to the terms and conditions upon which such

1 declaration and its consequences may be waived; (9) to vest in any  
2 obligees of the authority the right to enforce the payment of the  
3 bonds or any covenants securing or relating to the bonds; to vest  
4 in any obligee or obligees holding a specified amount in bonds  
5 the right, in the event of a default by ~~said~~ the authority, to  
6 take possession of and use, operate, and manage any redevelopment  
7 project or any part thereof, title to which is in the authority, or  
8 any funds connected therewith, and to collect the rents and revenue  
9 arising therefrom and to dispose of such money in accordance with  
10 the agreement of the authority with such obligees; to provide for  
11 the powers and duties of such obligees and to limit the liabilities  
12 thereof; and to provide the terms and conditions upon which such  
13 obligees may enforce any covenant or rights securing or relating  
14 to the bonds; ~~and~~ (10) to pledge all of the revenue from any  
15 occupation tax received or to be received with respect to any  
16 enhanced employment area; and (11) to exercise all or any part or  
17 combination of the powers herein granted; to make such covenants,  
18 other than and in addition to the covenants herein expressly  
19 authorized, and to do any and all such acts and things as may be  
20 necessary or convenient or desirable in order to secure its bonds,  
21 or, in the absolute discretion of the authority, as will tend to  
22 make the bonds more marketable notwithstanding that such covenants,  
23 acts, or things may not be enumerated herein.

24           Sec. 8. A city may levy a general business occupation  
25 tax upon the businesses and users of space within an enhanced

1 employment area for the purpose of paying all or any part  
2 of the costs and expenses of any redevelopment project within  
3 such enhanced employment area. For purposes of the tax imposed  
4 under this section, the governing body may make a reasonable  
5 classification of businesses, users of space, or kinds of  
6 transactions. The collection of a tax imposed pursuant to this  
7 section shall be made and enforced in such a manner as the  
8 governing body shall by ordinance determine to produce the required  
9 revenue. The governing body may provide that failure to pay the  
10 tax imposed pursuant to this section shall constitute a violation  
11 of the ordinance and subject the violator to a fine or other  
12 punishment as provided by ordinance. Any such occupation tax agreed  
13 to by the authority and the city shall remain in effect so long as  
14 the authority has bonds outstanding which have been issued stating  
15 such occupation tax as an available source for payment.

16           Sec. 9. Eminent domain shall not be used to acquire  
17 property that will be transferred to a private party in the  
18 enhanced employment area.

19           Sec. 10. (1) For purposes of this section:

20           (a) Authorized work means the performance of any one or  
21 more of the following purposes within an enhanced employment area  
22 designated pursuant to this section:

23           (i) The acquisition, construction, maintenance, and  
24 operation of public offstreet parking facilities for the benefit  
25 of the enhanced employment area;

- 1           (ii) Improvement of any public place or facility in  
2 the enhanced employment area, including landscaping, physical  
3 improvements for decoration or security purposes, and plantings;
- 4           (iii) Construction or installation of pedestrian shopping  
5 malls or plazas, sidewalks or moving sidewalks, parks, meeting  
6 and display facilities, bus stop shelters, lighting, benches or  
7 other seating furniture, sculptures, trash receptacles, shelters,  
8 fountains, skywalks, and pedestrian and vehicular overpasses and  
9 underpasses, and any useful or necessary public improvements;
- 10           (iv) Leasing, acquiring, constructing, reconstructing,  
11 extending, maintaining, or repairing parking lots or parking  
12 garages, both above and below ground, or other facilities for  
13 the parking of vehicles, including the power to install such  
14 facilities in public areas, whether such areas are owned in fee or  
15 by easement, in the enhanced employment area;
- 16           (v) Creation and implementation of a plan for improving  
17 the general architectural design of public areas in the enhanced  
18 employment area;
- 19           (vi) The development of any public activities and  
20 promotion of public events, including the management, promotion,  
21 and advocacy of retail trade activities or other promotional  
22 activities, in the enhanced employment area;
- 23           (vii) Maintenance, repair, and reconstruction of any  
24 improvements or facilities authorized by the Community Development  
25 Law;



1           (viii) Any other project or undertaking for the  
2 betterment of the public facilities in the enhanced employment  
3 area, whether the project is capital or noncapital in nature;

4           (ix) Enforcement of parking regulations and the provision  
5 of security within the enhanced employment area; or

6           (x) Employing or contracting for personnel, including  
7 administrators for any improvement program under the Community  
8 Development Law, and providing for any service as may be necessary  
9 or proper to carry out the purposes of the Community Development  
10 Law;

11           (b) Employee means a person employed at a business  
12 located within an enhanced employment area; and

13           (c) Number of new employees means the number of  
14 equivalent employees that are employed at a business located within  
15 an enhanced employment area designated pursuant to this section  
16 during a year that are in excess of the number of equivalent  
17 employees during the year immediately prior to the year the  
18 enhanced employment area was designated pursuant to this section.

19           (2) If an area is not blighted or substandard, a city  
20 may designate an area as an enhanced employment area if the  
21 governing body determines that new investment within such enhanced  
22 employment area will result in at least (a) two new employees  
23 and new investment of one hundred twenty-five thousand dollars in  
24 counties with fewer than fifteen thousand inhabitants, (b) five  
25 new employees and new investment of two hundred fifty thousand

1 dollars in counties with at least fifteen thousand inhabitants but  
2 fewer than twenty-five thousand inhabitants, (c) ten new employees  
3 and new investment of five hundred thousand dollars in counties  
4 with at least twenty-five thousand inhabitants but fewer than fifty  
5 thousand inhabitants, (d) fifteen new employees and new investment  
6 of one million dollars in counties with at least fifty thousand  
7 inhabitants but fewer than one hundred thousand inhabitants, (e)  
8 twenty new employees and new investment of one million five hundred  
9 thousand dollars in counties with at least one hundred thousand  
10 inhabitants but fewer than two hundred thousand inhabitants, (f)  
11 twenty-five new employees and new investment of two million dollars  
12 in counties with at least two hundred thousand inhabitants but  
13 fewer than four hundred thousand inhabitants, or (g) thirty new  
14 employees and new investment of three million dollars in counties  
15 with at least four hundred thousand inhabitants. Any business  
16 that has one hundred thirty-five thousand square feet or more and  
17 annual gross sales of ten million dollars or more shall provide an  
18 employer-provided health benefit of at least three thousand dollars  
19 annually to all new employees who are working thirty hours per week  
20 or more on average and have been employed at least six months. In  
21 making such determination, the governing body may rely upon written  
22 undertakings provided by any owner of property within such area.

23 (3) Upon designation of an enhanced employment area  
24 under this section, a city may levy a general business occupation  
25 tax upon the businesses and users of space within such enhanced

1 employment area for the purpose of paying all or any part of  
2 the costs and expenses of authorized work within such enhanced  
3 employment area. For purposes of the tax imposed under this  
4 section, the governing body may make a reasonable classification  
5 of businesses, users of space, or kinds of transactions. The  
6 collection of a tax imposed pursuant to this section shall be  
7 made and enforced in such a manner as the governing body shall by  
8 ordinance determine to produce the required revenue. The governing  
9 body may provide that failure to pay the tax imposed pursuant to  
10 this section shall constitute a violation of the ordinance and  
11 subject the violator to a fine or other punishment as provided by  
12 ordinance. Any occupation tax levied by the city under this section  
13 shall remain in effect so long as the city has bonds outstanding  
14 which have been issued under the authority of this section and are  
15 secured by such occupation tax or that state such occupation tax  
16 as an available source for payment. The total amount of occupation  
17 taxes levied shall not exceed the total costs and expenses of  
18 the authorized work including the total debt service requirements  
19 of any bonds the proceeds of which are expended for or allocated  
20 to such authorized work. The assessments or taxes levied must be  
21 specified by ordinance and the proceeds shall not be used for any  
22 purpose other than the making of such improvements and for the  
23 repayment of bonds issued in whole or in part for the financing  
24 of such improvements. The authority to levy the general business  
25 occupation tax contained in this section and the authority to issue

1 bonds secured by or payable from such occupation tax shall be  
2 independent of and separate from any occupation tax referenced in  
3 section 18-2103.

4 (4) A city may issue revenue bonds for the purpose of  
5 defraying the cost of authorized work and to secure the payment  
6 of such bonds with the occupation tax revenue described in this  
7 section. Such revenue bonds may be issued in one or more series  
8 or issues where deemed advisable, and each such series or issue  
9 may contain different maturity dates, interest rates, priorities  
10 on revenue available for payment of such bonds and priorities on  
11 securities available for guaranteeing payment thereof, and such  
12 other differing terms and conditions as are deemed necessary. The  
13 following shall apply to any such bonds:

14 (a) Such bonds shall be limited obligations of the city.  
15 Bonds and interest on such bonds, issued under the authority of  
16 this section, shall not constitute nor give rise to a pecuniary  
17 liability of the city or a charge against its general credit or  
18 taxing powers. Such limitation shall be plainly stated upon the  
19 face of each of such bonds;

20 (b) Such bonds may (i) be executed and delivered at any  
21 time and from time to time, (ii) be in such form and denominations,  
22 (iii) be of such tenor, (iv) be payable in such installments and  
23 at such time or times not exceeding twenty years from their date,  
24 (v) be payable at such place or places, (vi) bear interest at such  
25 rate or rates, payable at such place or places, and evidenced in

1 such manner, (vii) be redeemable prior to maturity, with or without  
2 premium, and (viii) contain such provisions as shall be deemed in  
3 the best interest of the city and provided for in the proceedings  
4 of the governing body under which the bonds shall be authorized to  
5 be issued;

6 (c) The authorization, terms, issuance, execution, or  
7 delivery of such bonds shall not be subject to sections 10-101 to  
8 10-126; and

9 (d) Such bonds may be sold at public or private sale  
10 in such manner and at such time or times as may be determined  
11 by the governing body to be most advantageous. The city may  
12 pay all expenses, premiums, and commissions which the governing  
13 body may deem necessary or advantageous in connection with the  
14 authorization, sale, and issuance thereof from the proceeds or  
15 the sale of the bonds or from the revenue of the occupation tax  
16 described in this section.

17 Sec. 11. If any section in this act or any part of any  
18 section is declared invalid or unconstitutional, the declaration  
19 shall not affect the validity or constitutionality of the remaining  
20 portions.

21 Sec. 12. Original sections 18-2101, 18-2103, 18-2107,  
22 18-2111, 18-2116, 18-2119, and 18-2130, Reissue Revised Statutes of  
23 Nebraska, are repealed.