

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 874**

FINAL READING

Introduced by Urban Affairs Committee: Wayne, 13, Chairperson; Crawford, 45; Hansen, 26; Howard, 9; Larson, 40; Quick, 35; Groene, 42.

Read first time January 05, 2018

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to community development; to amend sections  
2 15-1301, 18-2101.01, 18-2104, 18-2107, 18-2109, 18-2113, 18-2116,  
3 18-2117.01, 18-2122, 18-2125, 18-2127, 18-2129, 18-2133, 18-2134,  
4 18-2137, 18-2138, 18-2140, 18-2141, 18-2142.01, 18-2143, 18-2144,  
5 18-2145, and 18-2153, Reissue Revised Statutes of Nebraska, sections  
6 13-2610, 18-2101, 18-2103, 18-2115, 18-2119, 18-2147, and  
7 77-1704.01, Revised Statutes Cumulative Supplement, 2016, and  
8 sections 17-405.01 and 18-2102.01, Revised Statutes Supplement,  
9 2017; to change the Community Development Law; to provide for audits  
10 by the Auditor of Public Accounts; to redefine terms; to change  
11 powers and duties of authorities; to change provisions relating to  
12 public hearings and notices; to require certain findings to be  
13 documented in writing; to require studies or analyses as prescribed;  
14 to change provisions relating to a cost-benefit analysis and a  
15 report to the Property Tax Administrator; to require an annual  
16 report on tax-increment financing; to restrict the reimbursement of  
17 costs for redevelopment projects using tax-increment financing as  
18 prescribed; to require retention of certain documents; to change  
19 provisions relating to certain redevelopment contracts, tax-  
20 increment financing, and certain property tax notices and receipts;  
21 to harmonize provisions; and to repeal the original sections.

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

1 Section 1. Section 13-2610, Revised Statutes Cumulative Supplement,  
2 2016, is amended to read:

3 13-2610 (1) Upon the annual certification under section 13-2609, the  
4 State Treasurer shall transfer after the audit the amount certified to  
5 the Convention Center Support Fund. The Convention Center Support Fund is  
6 created. Transfers may be made from the fund to the General Fund at the  
7 direction of the Legislature. Any money in the Convention Center Support  
8 Fund available for investment shall be invested by the state investment  
9 officer pursuant to the Nebraska Capital Expansion Act and the Nebraska  
10 State Funds Investment Act.

11 (2) It is the intent of the Legislature to appropriate from the fund  
12 to any political subdivision for which an application for state  
13 assistance under the Convention Center Facility Financing Assistance Act  
14 has been approved an amount not to exceed (a) seventy percent of the  
15 state sales tax revenue collected by retailers and operators doing  
16 business at such facilities on sales at such facilities, state sales tax  
17 revenue collected on primary and secondary box office sales of admissions  
18 to such facilities, and state sales tax revenue collected by associated  
19 hotels, (b) seventy-five million dollars for any one approved project, or  
20 (c) the total cost of acquiring, constructing, improving, or equipping  
21 the eligible facility. State assistance shall not be used for an  
22 operating subsidy or other ancillary facility.

23 (3)(a) Ten percent of such funds appropriated to a city of the  
24 metropolitan class under subsection (2) of this section shall be equally  
25 distributed to areas with a high concentration of poverty to (i) showcase  
26 important historical aspects of such areas or areas within close  
27 geographic proximity of the area with a high concentration of poverty or  
28 (ii) assist with the reduction of street and gang violence in such areas.

29 (b) Each area with a high concentration of poverty that has been  
30 distributed funds under subdivision (3)(a) of this section shall  
31 establish a development fund and form a committee which shall identify

1 and research potential projects to be completed in the area with a high  
2 concentration of poverty or in an area within close geographic proximity  
3 of such area if the project would have a significant or demonstrable  
4 impact on such area and make final determinations on the use of state  
5 sales tax revenue received for such projects.

6 (c) A committee formed under subdivision (3)(b) of this section  
7 shall include the following three members:

8 (i) The member of the city council whose district includes a  
9 majority of the census tracts which each contain a percentage of persons  
10 below the poverty line of greater than thirty percent, as determined by  
11 the most recent federal decennial census, within the area with a high  
12 concentration of poverty;

13 (ii) The commissioner of the county whose district includes a  
14 majority of the census tracts which each contain a percentage of persons  
15 below the poverty line of greater than thirty percent, as determined by  
16 the most recent federal decennial census, within the area with a high  
17 concentration of poverty; and

18 (iii) A resident of the area with a high concentration of poverty,  
19 appointed by the other two members of the committee.

20 (d) A committee formed under subdivision (3)(b) of this section  
21 shall solicit project ideas from the public and shall hold a public  
22 hearing in the area with a high concentration of poverty. Notice of a  
23 proposed hearing shall be provided in accordance with the procedures for  
24 notice of a public hearing pursuant to section 13 of this act ~~18-2115~~.  
25 The committee shall research potential projects and make the final  
26 determination regarding the annual distribution of funding to such  
27 projects.

28 (e) For purposes of this subsection, an area with a high  
29 concentration of poverty means an area within the corporate limits of a  
30 city of the metropolitan class consisting of one or more contiguous  
31 census tracts, as determined by the most recent federal decennial census,

1 which contain a percentage of persons below the poverty line of greater  
2 than thirty percent, and all census tracts contiguous to such tract or  
3 tracts, as determined by the most recent federal decennial census.

4 (4)(a) Ten percent of such funds appropriated to a city of the  
5 primary class under subsection (2) of this section may, if the city  
6 determines by consent of the city council that such funds are not  
7 currently needed for the purposes described in section 13-2604, be used  
8 as follows:

9 (i) For investment in the construction of qualified low-income  
10 housing projects as defined in 26 U.S.C. 42, including qualified projects  
11 receiving Nebraska affordable housing tax credits under the Affordable  
12 Housing Tax Credit Act; or

13 (ii) If there are no such qualified low-income housing projects as  
14 defined in 26 U.S.C. 42 being constructed or expected to be constructed  
15 within the political subdivision, for investment in areas with a high  
16 concentration of poverty to assist with low-income housing needs.

17 (b) For purposes of this subsection, an area with a high  
18 concentration of poverty means an area within the corporate limits of a  
19 city of the primary class consisting of one or more contiguous census  
20 tracts, as determined by the most recent American Community Survey 5-Year  
21 Estimate, which contain a percentage of persons below the poverty line of  
22 greater than thirty percent, and all census tracts contiguous to such  
23 tract or tracts, as determined by the most recent American Community  
24 Survey 5-Year Estimate.

25 (5) State assistance to the political subdivision shall no longer be  
26 available upon the retirement of the bonds issued to acquire, construct,  
27 improve, or equip the facility or any subsequent bonds that refunded the  
28 original issue or when state assistance reaches the amount determined  
29 under subsection (2) of this section, whichever comes first.

30 (6) The remaining thirty percent of state sales tax revenue  
31 collected by retailers and operators doing business at such facilities on

1 sales at such facilities, state sales tax revenue collected on primary  
2 and secondary box office sales of admissions to such facilities, and  
3 state sales tax revenue collected by associated hotels, shall be  
4 appropriated by the Legislature to the Civic and Community Center  
5 Financing Fund. Upon the annual certification required pursuant to  
6 section 13-2609 and following the transfer to the Convention Center  
7 Support Fund required pursuant to subsection (1) of this section, the  
8 State Treasurer shall transfer an amount equal to the remaining thirty  
9 percent from the Convention Center Support Fund to the Civic and  
10 Community Center Financing Fund.

11 (7) Any municipality that has applied for and received a grant of  
12 assistance under the Civic and Community Center Financing Act may not  
13 receive state assistance under the Convention Center Facility Financing  
14 Assistance Act.

15 Sec. 2. Section 15-1301, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17 15-1301 As used in sections 15-1301 to 15-1307, unless the context  
18 otherwise requires:

19 (1) City shall mean any city of the primary class;

20 (2) Federal government shall mean the United States of America, or  
21 any agency or instrumentality, corporate or otherwise, of the United  
22 States of America; and

23 (3) Community development activity shall mean any activity  
24 authorized in the Community Development Law ~~sections 18-2101 to 18-2144,~~  
25 construction of community facilities, conservation and rehabilitation of  
26 property, neighborhood development, code enforcement, and all of the  
27 jurisdiction and authority granted a housing authority under Chapter 71,  
28 article 15.

29 Sec. 3. Section 17-405.01, Revised Statutes Supplement, 2017, is  
30 amended to read:

31 17-405.01 (1) Except as provided in subsection (2) of this section

1 and section 17-407, the mayor and city council of any city of the second  
2 class or the chairperson and members of the village board of trustees may  
3 by ordinance, except as provided in sections 13-1111 to 13-1118, at any  
4 time, include within the corporate limits of such city or village any  
5 contiguous or adjacent lands, lots, tracts, streets, or highways as are  
6 urban or suburban in character, and in such direction as may be deemed  
7 proper. Such grant of power shall not be construed as conferring power to  
8 extend the limits of any city of the second class or village over any  
9 agricultural lands which are rural in character.

10 (2) The mayor and city council of any city of the second class or  
11 the chairperson and members of the village board of trustees may, by  
12 ordinance, annex any lands, lots, tracts, streets, or highways which  
13 constitute a redevelopment project area so designated by the city or  
14 village or its community redevelopment authority in accordance with the  
15 provisions of the Community Development Law ~~and sections 18-2145 to~~  
16 ~~18-2154~~ when such annexation is for the purpose of implementing a  
17 lawfully adopted redevelopment plan containing a provision dividing ad  
18 valorem taxes as provided in subsection (1) of section 18-2147 and which  
19 will involve the construction or development of an agricultural  
20 processing facility, notwithstanding that such lands, lots, tracts,  
21 streets, or highways are not contiguous or adjacent or are not urban or  
22 suburban in character. Such annexation shall comply with all other  
23 provisions of law relating to annexation generally for cities of the  
24 second class and villages. The city or village shall not, in consequence  
25 of the annexation under this subsection of any noncontiguous land,  
26 exercise the authority granted to it by statute to extend its  
27 extraterritorial zoning jurisdiction beyond its corporate boundaries for  
28 purposes of planning, zoning, or subdivision development without the  
29 agreement of any other city, village, or county currently exercising  
30 zoning jurisdiction over the area surrounding the annexed redevelopment  
31 project area. The annexation of any noncontiguous land undertaken

1 pursuant to this subsection shall not result in any change in the service  
2 area of any electric utility without the express agreement of the  
3 electric utility serving the annexed noncontiguous area at the time of  
4 annexation, except that at such time following the annexation of the  
5 noncontiguous area as the city or village lawfully annexes sufficient  
6 intervening territory so as to directly connect the noncontiguous area to  
7 the main body of the city or village, such noncontiguous area shall,  
8 solely for the purposes of section 70-1008, be treated as if it had been  
9 annexed by the city or village on the date upon which the connecting  
10 intervening territory had been formally annexed.

11 (3) For purposes of subsection (2) of this section, agricultural  
12 processing facility means a plant or establishment where value is added  
13 to agricultural commodities through processing, fabrication, or other  
14 means and where eighty percent or more of the direct sales from the  
15 facility are to other than the ultimate consumer of the processed  
16 commodities. A facility shall not qualify as an agricultural processing  
17 facility unless its construction or development involves the investment  
18 of more than one million dollars derived from nongovernmental sources.

19 Sec. 4. Section 18-2101, Revised Statutes Cumulative Supplement,  
20 2016, is amended to read:

21 18-2101 Sections 18-2101 to 18-2154 and sections 13, 16, 17, and 18  
22 of this act ~~18-2144~~ shall be known and may be cited as the Community  
23 Development Law.

24 Sec. 5. Section 18-2101.01, Reissue Revised Statutes of Nebraska, is  
25 amended to read:

26 18-2101.01 Cities of all classes and villages of this state are  
27 hereby granted power and authority to create a community development  
28 agency by ordinance, which agency may consist of the governing body of  
29 the city or village or a new or existing municipal division or  
30 department, or combination thereof. When such an agency is created, it  
31 shall function in the manner prescribed by ordinance and may exercise all



1 of the power and authority granted to a community redevelopment authority  
 2 under the Community Development Law in sections 18-2101 to 18-2144.  
 3 Cities of all classes and villages of this state are also granted power  
 4 and authority to do all community development activities, and to do all  
 5 things necessary to cooperate with the federal government in all matters  
 6 relating to community development program activities as a grantee, or as  
 7 an agent or otherwise, under the provisions of the federal Housing and  
 8 Community Development Act of 1974, as amended through the Housing and  
 9 Community Development Amendments of 1981. Whenever such a city exercises  
 10 the power conferred in this section, it may levy taxes for the exercise  
 11 of such jurisdiction and authority and may issue general obligation  
 12 bonds, general obligation notes, revenue bonds, and revenue notes  
 13 including general obligation and revenue refunding bonds and notes for  
 14 the purposes set forth in the Community Development Law such sections and  
 15 under the power granted to any authority described.

16 Sec. 6. Section 18-2102.01, Revised Statutes Supplement, 2017, is  
 17 amended to read:

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

21 (1) Whenever an authority or limited authority is created it shall  
 22 bear the name of the city creating it and shall be legally known as the  
 23 Community Redevelopment Authority of the City (or Village)  
 24 of ..... (name of city or village) or the Limited Community  
 25 Redevelopment Authority of the City (or Village) of ..... (name  
 26 of city or village).

27 (2) When it is determined by the governing body of any city by  
 28 ordinance in the exercise of its discretion that it is expedient to  
 29 create a community redevelopment authority or limited community  
 30 redevelopment authority, the mayor of the city or, if the mayor shall  
 31 fail to act within ninety days after the passage of the ordinance, the

1 president or other presiding officer other than the mayor of the  
2 governing body, with the approval of the governing body of the city,  
3 shall appoint five or seven persons who shall constitute the authority or  
4 the limited authority. The terms of office of the members of a five-  
5 member authority initially appointed shall be for one year, two years,  
6 three years, four years, and five years, as designated by the mayor,  
7 president, other presiding officer, or city manager in making the  
8 respective appointments. The terms of office of the members of a seven-  
9 member authority initially appointed shall be one member each for one  
10 year, two years, and five years, and two members each for three years and  
11 four years, as designated by the mayor, president, other presiding  
12 officer, or city manager in making the respective appointments. As the  
13 terms of the members of the authority expire in cities not having the  
14 city manager form of government, the mayor, with the approval of the  
15 governing body of the city, shall appoint or reappoint a member of the  
16 authority for a term of five years to succeed the member whose term  
17 expires. In cities having the city manager form of government, the city  
18 manager shall appoint or reappoint the members with the approval of the  
19 governing body. The terms of office of the members of a limited community  
20 redevelopment authority shall be for the duration of only one single  
21 specific limited pilot project authorized in the ordinance creating the  
22 limited community redevelopment authority, and the terms of the members  
23 of a limited community redevelopment authority shall expire upon the  
24 completion of the single specific limited pilot project authorized in the  
25 ordinance creating the limited community redevelopment authority.

26 (3) A governing body may at its option submit an ordinance which  
27 creates a community redevelopment authority or a limited community  
28 redevelopment authority to the electors of the city for approval by a  
29 majority vote of the electors voting on the ordinance. On submitting the  
30 ordinance for approval, the governing body is authorized to call, by the  
31 ordinance, a special or general election and to submit, after thirty

1 days' notice of the time and place of holding the election and according  
2 to the manner and method otherwise provided by law for the calling,  
3 conducting, canvassing, and certifying of the result of city elections on  
4 the submission of propositions to the electors, the proposition to be  
5 stated on the ballot as follows:

6 Shall the City (or Village) of ..... (name of city or  
7 village) create a Community Redevelopment Authority of the City (or  
8 Village) of ..... (name of city or village)?

9 ... Yes

10 ... No.

11 When the ordinance submitted to the electors for approval by a  
12 majority vote of the electors voting on the ordinance is to create a  
13 limited community redevelopment authority the proposition shall be stated  
14 on the ballot as follows:

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

18 ... Yes

19 ... No.

20 (4) Vacancies shall be filled for any unexpired term in the same  
21 manner as the original appointment. Members of the authority so appointed  
22 shall hold office until their successors have been appointed and  
23 qualified. Members of a limited authority shall hold office as provided  
24 in this section. All members of the authority shall serve without  
25 compensation, but shall be entitled to be reimbursed for all necessary  
26 expenses incurred.

27 (5) ~~(3)~~ Any authority established under this section shall organize  
28 by electing one of its members chairperson and another vice-chairperson,  
29 shall have power to employ counsel, a director who shall be ex officio  
30 secretary of the authority, and such other officers and employees as may  
31 be desired, and shall fix the term of office, qualifications, and

1 compensation of each. The holder of the office of community redevelopment  
2 administrator or coordinator of the city may, but need not, be appointed  
3 the director but at no additional compensation by the authority.  
4 Community redevelopment authorities of cities of the first and second  
5 class and villages may secure the services of a director, community  
6 redevelopment administrator, or coordinator, and other officers and  
7 employees as may be desired through contract with the Department of  
8 Economic Development upon terms which are mutually agreeable. Any  
9 authority established under this section may validly and effectively act  
10 on all matters requiring a resolution or other official action by the  
11 concurrence of three members of a five-member authority or four members  
12 of a seven-member authority present and voting at a meeting of the  
13 authority. Orders, requisitions, warrants, and other documents may be  
14 executed by the chairperson or vice-chairperson or by or with others  
15 designated in its bylaws.

16 (6) ~~(4)~~ No member or employee of any authority established under  
17 this section shall have any interest directly or indirectly in any  
18 contract for property, materials, or services to be required by such  
19 authority. No member of any authority established under this section  
20 shall also be a member of any planning commission created under section  
21 19-925.

22 (7) ~~(5)~~ The authority shall keep an accurate account of all its  
23 activities and of all receipts and disbursements and make an annual  
24 report of such activities, receipts, and disbursements to the governing  
25 body of the city.

26 (8) ~~(6)~~ The governing body of a city creating a community  
27 redevelopment authority or a limited community redevelopment authority is  
28 hereby authorized to appropriate and loan to the authority a sum not  
29 exceeding ten thousand dollars for the purposes of paying expenses of  
30 organizing and supervising the work of the authority at the beginning of  
31 its activities. The loan shall be authorized by resolution of the

1 governing body which shall set forth the terms and time of the repayment  
2 of the loan. The loan may be appropriated out of the general funds or any  
3 sinking fund.

4 (9) ~~(7)~~ All income, revenue, profits, and other funds received by  
5 any authority established under this section from whatever source  
6 derived, or appropriated by the city, or realized from tax receipts or  
7 comprised in the special revenue fund of the city designated for the  
8 authority or from the proceeds of bonds, or otherwise, shall be deposited  
9 with the city treasurer as ex officio treasurer of the authority without  
10 commingling the money with any other money under his or her control and  
11 disbursed by him or her by check, draft, or order only upon warrants,  
12 orders, or requisitions by the chairperson of the authority or other  
13 person authorized by the authority which shall state distinctly the  
14 purpose for which the same are drawn. A permanent record shall be kept by  
15 the authority of all warrants, orders, or requisitions so drawn, showing  
16 the date, amount, consideration, and to whom payable. When paid, the same  
17 shall be canceled and kept on file by the city treasurer. The books of  
18 any authority established under this section shall from time to time be  
19 audited upon the order of the governing body of the municipality in such  
20 manner as it may direct, and all books and records of the authority shall  
21 at all times be open to public inspection. The Auditor of Public Accounts  
22 may audit, or cause to be audited, any authority established under this  
23 section or any redevelopment plan of such authority when the Auditor of  
24 Public Accounts determines such audit is necessary or when requested by  
25 the governing body, and such audit shall be at the expense of the  
26 authority. The authority may contract with the holders of any of its  
27 bonds or notes as to collection, custody, securing investment, and  
28 payment of any money of the authority or any money held in trust or  
29 otherwise for the payment of bonds or notes or in any way to secure bonds  
30 or notes. The authority may carry out the contract notwithstanding that  
31 such contract may be inconsistent with the previous provisions of this

1 subdivision. All banks, capital stock financial institutions, qualifying  
2 mutual financial institutions, and trust companies are hereby authorized  
3 to give security for the deposits of money of any authority established  
4 under the provisions of this section pursuant to the Public Funds Deposit  
5 Security Act. Section 77-2366 applies to deposits in capital stock  
6 financial institutions. Section 77-2365.01 shall apply to deposits in  
7 qualifying mutual financial institutions.

8 Sec. 7. Section 18-2103, Revised Statutes Cumulative Supplement,  
9 2016, is amended to read:

10 18-2103 For purposes of the Community Development Law, unless the  
11 context otherwise requires:

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

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

20 (3) Blighted area means an area (a) which, by reason of the presence  
21 of a substantial number of deteriorated or deteriorating structures,  
22 existence of defective or inadequate street layout, faulty lot layout in  
23 relation to size, adequacy, accessibility, or usefulness, insanitary or  
24 unsafe conditions, deterioration of site or other improvements, diversity  
25 of ownership, tax or special assessment delinquency exceeding the fair  
26 value of the land, defective or unusual conditions of title, improper  
27 subdivision or obsolete platting, or the existence of conditions which  
28 endanger life or property by fire and other causes, or any combination of  
29 such factors, substantially impairs or arrests the sound growth of the  
30 community, retards the provision of housing accommodations, or  
31 constitutes an economic or social liability and is detrimental to the

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

20 (4) Bonds means any bonds, including refunding bonds, notes, interim  
21 certificates, debentures, or other obligations issued pursuant to the  
22 Community Development Law except for bonds issued pursuant to section  
23 18-2142.04;

24 (5) Business means any private business located in an enhanced  
25 employment area;

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

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

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

31 (9) Employee means a person employed at a business as a result of a

1 redevelopment project;

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

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

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

14 (13) Federal government means the United States of America, or any  
15 agency or instrumentality, corporate or otherwise, of the United States  
16 of America;

17 (14) Governing body or local governing body means the city council,  
18 board of trustees, or other legislative body charged with governing the  
19 municipality;

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

23 (16) Mayor means the mayor of the city or chairperson of the board  
24 of trustees of the village;

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

27 (18) Number of new employees means the number of equivalent  
28 employees that are employed at a business as a result of the  
29 redevelopment project during a year that are in excess of the number of  
30 equivalent employees during the year immediately prior to the year that a  
31 redevelopment plan is adopted;



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

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

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

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

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

21       (24) Redeveloper means any person, partnership, or public or private  
22 corporation or agency which enters or proposes to enter into a  
23 redevelopment contract;

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

27       (26) Redevelopment plan means a plan, as it exists from time to time  
28 for one or more community redevelopment areas, or for a redevelopment  
29 project, which (a) conforms to the general plan for the municipality as a  
30 whole and (b) is sufficiently complete to indicate such land acquisition,  
31 demolition and removal of structures, redevelopment, improvements, and

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

4 ~~(1) An authority means any community redevelopment authority created~~  
5 ~~pursuant to section 18-2102.01 and a city or village which has created a~~  
6 ~~community development agency pursuant to the provisions of section~~  
7 ~~18-2101.01 and does not include a limited community redevelopment~~  
8 ~~authority;~~

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

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

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

16 ~~(5) Governing body or local governing body means the city council,~~  
17 ~~board of trustees, or other legislative body charged with governing the~~  
18 ~~municipality;~~

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

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

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

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

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

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

8 ~~(11) Blighted area means an area, which (a) by reason of the~~  
9 ~~presence of a substantial number of deteriorated or deteriorating~~  
10 ~~structures, existence of defective or inadequate street layout, faulty~~  
11 ~~lot layout in relation to size, adequacy, accessibility, or usefulness,~~  
12 ~~insanitary or unsafe conditions, deterioration of site or other~~  
13 ~~improvements, diversity of ownership, tax or special assessment~~  
14 ~~delinquency exceeding the fair value of the land, defective or unusual~~  
15 ~~conditions of title, improper subdivision or obsolete platting, or the~~  
16 ~~existence of conditions which endanger life or property by fire and other~~  
17 ~~causes, or any combination of such factors, substantially impairs or~~  
18 ~~arrests the sound growth of the community, retards the provision of~~  
19 ~~housing accommodations, or constitutes an economic or social liability~~  
20 ~~and is detrimental to the public health, safety, morals, or welfare in~~  
21 ~~its present condition and use and (b) in which there is at least one of~~  
22 ~~the following conditions: (i) Unemployment in the designated area is at~~  
23 ~~least one hundred twenty percent of the state or national average; (ii)~~  
24 ~~the average age of the residential or commercial units in the area is at~~  
25 ~~least forty years; (iii) more than half of the plotted and subdivided~~  
26 ~~property in an area is unimproved land that has been within the city for~~  
27 ~~forty years and has remained unimproved during that time; (iv) the per~~  
28 ~~capita income of the area is lower than the average per capita income of~~  
29 ~~the city or village in which the area is designated; or (v) the area has~~  
30 ~~had either stable or decreasing population based on the last two~~  
31 ~~decennial censuses. In no event shall a city of the metropolitan,~~

1 ~~primary, or first class designate more than thirty-five percent of the~~  
2 ~~city as blighted, a city of the second class shall not designate an area~~  
3 ~~larger than fifty percent of the city as blighted, and a village shall~~  
4 ~~not designate an area larger than one hundred percent of the village as~~  
5 ~~blighted. A redevelopment project involving a formerly used defense site~~  
6 ~~as authorized under section 18-2123.01 shall not count towards the~~  
7 ~~percentage limitations contained in this subdivision;~~

8       (27) (12) Redevelopment project means any work or undertaking in one  
9 or more community redevelopment areas: (a) To acquire substandard and  
10 blighted areas or portions thereof, including lands, structures, or  
11 improvements the acquisition of which is necessary or incidental to the  
12 proper clearance, development, or redevelopment of such substandard and  
13 blighted areas; (b) to clear any such areas by demolition or removal of  
14 existing buildings, structures, streets, utilities, or other improvements  
15 thereon and to install, construct, or reconstruct streets, utilities,  
16 parks, playgrounds, public spaces, public parking facilities, sidewalks  
17 or moving sidewalks, convention and civic centers, bus stop shelters,  
18 lighting, benches or other similar furniture, trash receptacles,  
19 shelters, skywalks and pedestrian and vehicular overpasses and  
20 underpasses, enhancements to structures in the redevelopment plan area  
21 which exceed minimum building and design standards in the community and  
22 prevent the recurrence of substandard and blighted conditions, and any  
23 other necessary public improvements essential to the preparation of sites  
24 for uses in accordance with a redevelopment plan; (c) to sell, lease, or  
25 otherwise make available land in such areas for residential,  
26 recreational, commercial, industrial, or other uses, including parking or  
27 other facilities functionally related or subordinate to such uses, or for  
28 public use or to retain such land for public use, in accordance with a  
29 redevelopment plan; and may also include the preparation of the  
30 redevelopment plan, the planning, survey, and other work incident to a  
31 redevelopment project and the preparation of all plans and arrangements

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

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

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

29 ~~(13) Redevelopment plan means a plan, as it exists from time to time~~  
30 ~~for one or more community redevelopment areas, or for a redevelopment~~  
31 ~~project, which (a) conforms to the general plan for the municipality as a~~

1 whole and (b) is sufficiently complete to indicate such land acquisition,  
2 demolition and removal of structures, redevelopment, improvements, and  
3 rehabilitation as may be proposed to be carried out in the community  
4 redevelopment area, zoning and planning changes, if any, land uses,  
5 maximum densities, and building requirements;

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

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

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

18 (17) Bonds means any bonds, including refunding bonds, notes,  
19 interim certificates, debentures, or other obligations issued pursuant to  
20 the Community Development Law except for bonds issued pursuant to section  
21 18-2142.04;

22 (18) Obligee means any bondholder, agent, or trustee for any  
23 bondholder, or lessor demising to any authority, established pursuant to  
24 section 18-2102.01, property used in connection with a redevelopment  
25 project, or any assignee or assignees of such lessor's interest or any  
26 part thereof, and the federal government when it is a party to any  
27 contract with such authority;

28 (19) Person means any individual, firm, partnership, limited  
29 liability company, corporation, company, association, joint stock  
30 association, or body politic and includes any trustee, receiver,  
31 assignee, or other similar representative thereof;

1           ~~(20) Community redevelopment area means a substandard and blighted~~  
2 ~~area which the community redevelopment authority designates as~~  
3 ~~appropriate for a renewal project;~~

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

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

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

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

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

22           ~~(26) Business means any private business located in an enhanced~~  
23 ~~employment area;~~

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

26           ~~(28) Number of new employees means the number of equivalent~~  
27 ~~employees that are employed at a business as a result of the~~  
28 ~~redevelopment project during a year that are in excess of the number of~~  
29 ~~equivalent employees during the year immediately prior to the year that a~~  
30 ~~redevelopment plan is adopted; and~~

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

1           Sec. 8. Section 18-2104, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           18-2104 The governing body of a city, to the greatest extent it  
4 deems to be feasible in carrying out the provisions of the Community  
5 Development Law ~~sections 18-2101 to 18-2144~~, shall afford maximum  
6 opportunity, consistent with the sound needs of the city as a whole, to  
7 the rehabilitation or redevelopment of the community redevelopment area  
8 by private enterprises. The governing body of a city shall give  
9 consideration to this objective in exercising its powers under the  
10 Community Development Law ~~sections 18-2101 to 18-2144~~, including the  
11 formulation of a workable program, the approval of community  
12 redevelopment plans consistent with the general plan for the development  
13 of the city, the exercise of its zoning powers, the enforcement of other  
14 laws, codes, and regulations, relating to the use of land and the use and  
15 occupancy of buildings and improvements, the disposition of any property  
16 acquired, and the providing of necessary public improvements.

17           Sec. 9. Section 18-2107, Reissue Revised Statutes of Nebraska, is  
18 amended to read:

19           18-2107 An authority shall constitute a public body corporate and  
20 politic, exercising public and essential governmental functions and  
21 having all the powers necessary or convenient to carry out and effectuate  
22 the purposes and provisions of the Community Development Law ~~and sections~~  
23 ~~18-2147 to 18-2151~~, including the power:

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

30           (2) To prepare or cause to be prepared and recommend redevelopment  
31 plans to the governing body of the city and to undertake and carry out



1 redevelopment projects within its area of operation;

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

14 (4) Within its area of operation, to purchase, lease, obtain options  
15 upon, or acquire by gift, grant, bequest, devise, eminent domain, or  
16 otherwise any real or personal property or any interest therein, together  
17 with any improvements thereon, necessary or incidental to a redevelopment  
18 project; to hold, improve, clear, or prepare for redevelopment any such  
19 property; to sell, lease for a term not exceeding ninety-nine years,  
20 exchange, transfer, assign, subdivide, retain for its own use, mortgage,  
21 pledge, hypothecate, or otherwise encumber or dispose of any real or  
22 personal property or any interest therein; to enter into contracts with  
23 redevelopers of property containing covenants, restrictions, and  
24 conditions regarding the use of such property for residential,  
25 commercial, industrial, or recreational purposes or for public purposes  
26 in accordance with the redevelopment plan and such other covenants,  
27 restrictions, and conditions as the authority may deem necessary to  
28 prevent a recurrence of substandard and blighted areas or to effectuate  
29 the purposes of the Community Development Law; to make any of the  
30 covenants, restrictions, or conditions of the foregoing contracts  
31 covenants running with the land and to provide appropriate remedies for

1 any breach of any such covenants or conditions, including the right in  
2 the authority to terminate such contracts and any interest in the  
3 property created pursuant thereto; to borrow money, issue bonds, and  
4 provide security for loans or bonds; to establish a revolving loan fund;  
5 to insure or provide for the insurance of any real or personal property  
6 or the operation of the authority against any risks or hazards, including  
7 the power to pay premiums on any such insurance; to enter into any  
8 contracts necessary to effectuate the purposes of the Community  
9 Development Law; and to provide grants, loans, or other means of  
10 financing to public or private parties in order to accomplish the  
11 rehabilitation or redevelopment in accordance with a redevelopment plan,  
12 except that the proceeds from indebtedness incurred for the purpose of  
13 financing a redevelopment project that includes the division of taxes as  
14 provided in section 18-2147 shall not be used to establish a revolving  
15 loan fund. No statutory provision with respect to the acquisition,  
16 clearance, or disposition of property by other public bodies shall  
17 restrict an authority exercising powers hereunder, in such functions,  
18 unless the Legislature shall specifically so state;

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

25 (6) To borrow money and to apply for and accept advances, loans,  
26 grants, contributions, and any other form of financial assistance from  
27 the federal government, from the state, county, municipality, or other  
28 public body, or from any sources, public or private, including charitable  
29 funds, foundations, corporations, trusts, or bequests, for purposes of  
30 the Community Development Law, to give such security as may be required,  
31 and to enter into and carry out contracts in connection therewith; and

1 notwithstanding any other provision of law, to include in any contract  
2 for financial assistance with the federal government for a redevelopment  
3 project such conditions imposed pursuant to federal law as the authority  
4 may deem reasonable and appropriate and which are not inconsistent with  
5 the purposes of the Community Development Law;

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

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

26 (9) To prepare plans and provide reasonable assistance for the  
27 relocation of families, business concerns, and others displaced from a  
28 redevelopment project area to permit the carrying out of the  
29 redevelopment project to the extent essential for acquiring possession of  
30 and clearing such area or parts thereof; and to make relocation payments  
31 to or with respect to such persons for moving expenses and losses of

1 property for which reimbursement or compensation is not otherwise made,  
2 including the making of such payments financed by the federal government;

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

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

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

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

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

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

4 Sec. 10. Section 18-2109, Reissue Revised Statutes of Nebraska, is  
5 amended to read:

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

12 (2) Prior to making such declaration, the ~~The~~ governing body of the  
13 city shall conduct or cause to be conducted a study or an analysis on  
14 whether the area is substandard and blighted and shall submit the  
15 question of whether such an area is substandard and blighted to the  
16 planning commission or board of the city for its review and  
17 recommendation prior to making its declaration. The planning commission  
18 or board shall hold a public hearing on the question after giving notice  
19 of the hearing as provided in section 13 of this act. Such notice shall  
20 include a map of sufficient size to show the area to be declared  
21 substandard and blighted or information on where to find such map and  
22 shall provide information on where to find copies of the substandard and  
23 blighted study or analysis conducted pursuant to this subsection. The  
24 planning commission or board shall submit its written recommendations to  
25 the governing body of the city within thirty days after the public  
26 hearing receipt of the request. Upon receipt of the recommendations or  
27 after thirty days if no recommendation is received, the governing body  
28 may make its declaration.

29 (3) Upon receipt of the recommendations of the planning commission  
30 or board, or if no recommendations are received within thirty days after  
31 the public hearing required under subsection (2) of this section, the

1 governing body shall hold a public hearing on the question of whether the  
2 area is substandard and blighted after giving notice of the hearing as  
3 provided in section 13 of this act. Such notice shall include a map of  
4 sufficient size to show the area to be declared substandard and blighted  
5 or information on where to find such map and shall provide information on  
6 where to find copies of the substandard and blighted study or analysis  
7 conducted pursuant to subsection (2) of this section. At the public  
8 hearing, all interested parties shall be afforded a reasonable  
9 opportunity to express their views respecting the proposed declaration.  
10 After such hearing, the governing body of the city may make its  
11 declaration.

12 (4) Copies of each substandard and blighted study or analysis  
13 conducted pursuant to subsection (2) of this section shall be posted on  
14 the city's public web site or made available for public inspection at a  
15 location designated by the city.

16 Sec. 11. Section 18-2113, Reissue Revised Statutes of Nebraska, is  
17 amended to read:

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

1 parks, recreational and community facilities, and other public  
2 requirements, the promotion of sound design and arrangement, the wise and  
3 efficient expenditure of public funds, and the prevention of the  
4 recurrence of insanitary or unsafe dwelling accommodations or conditions  
5 of blight.

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

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

14 (b) Public infrastructure and community public service needs impacts  
15 and local tax impacts arising from the approval of the redevelopment  
16 project;

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

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

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

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

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

31 Sec. 12. Section 18-2115, Revised Statutes Cumulative Supplement,

1 2016, is amended to read:

2 18-2115 (1) The planning commission or board of the city shall hold  
3 a public hearing on any redevelopment plan or substantial modification  
4 thereof after giving notice of the hearing as provided in section 13 of  
5 this act. Such notice shall specifically identify the area to be  
6 redeveloped under the plan, shall include a map of sufficient size to  
7 show the area to be redeveloped or information on where to find such map,  
8 and shall provide information on where to find copies of any cost-benefit  
9 analysis conducted pursuant to section 18-2113.

10 (2) After the hearing required under subsection (1) of this section,  
11 the (1) The governing body of the city shall hold a public hearing on any  
12 redevelopment plan or substantial modification thereof recommended by the  
13 authority, after giving reasonable public notice of the hearing as  
14 provided in section 13 of this act. Such notice thereof by publication at  
15 least once a week for two consecutive weeks in a legal newspaper of  
16 general circulation in the community, the time of the hearing to be at  
17 least ten days from the last publication. The notice shall describe the  
18 time, date, place, and purpose of the hearing and shall specifically  
19 identify the area to be redeveloped under the plan, . All interested  
20 parties shall be afforded at such public hearing a reasonable opportunity  
21 to express their views respecting the proposed redevelopment plan.(2)  
22 Except as provided in subsection (3) of this section, the governing body  
23 of the city or such other division of the city or person as the governing  
24 body shall designate shall, at least ten days prior to the public hearing  
25 required by subsection (1) of this section, provide notice of the hearing  
26 to each registered neighborhood association whose area of representation  
27 is located in whole or in part within a one-mile radius of the area to be  
28 redeveloped in the manner requested by the association and mail notice of  
29 the hearing by first class United States mail, postage prepaid, or by  
30 certified mail to the president or chairperson of the governing body of  
31 each county, school district, community college, educational service



1 ~~unit, and natural resources district in which the real property subject~~  
2 ~~to such plan or major modification is located and whose property tax~~  
3 ~~receipts would be directly affected. The notice shall set out the time,~~  
4 ~~date, place, and purpose of the hearing and shall include a map of~~  
5 ~~sufficient size to show the area to be redeveloped~~ or information on  
6 where to find such map, and shall provide information on where to find  
7 copies of any cost-benefit analysis conducted pursuant to section  
8 18-2113. At the public hearing, all interested parties shall be afforded  
9 a reasonable opportunity to express their views respecting the proposed  
10 redevelopment plan.

11 ~~(3) If the planning board or planning commission of the city will~~  
12 ~~conduct a public hearing on the redevelopment plan or substantial~~  
13 ~~modification thereof, the governing body of the city or such other~~  
14 ~~division of the city or person as the governing body shall designate~~  
15 ~~shall, at least ten days prior to the public hearing, provide notice of~~  
16 ~~the hearing to each registered neighborhood association whose area of~~  
17 ~~representation is located in whole or in part within a one-mile radius of~~  
18 ~~the area to be redeveloped in the manner requested by the association and~~  
19 ~~mail notice of the hearing by first-class United States mail, postage~~  
20 ~~prepaid, or by certified mail to the president or chairperson of the~~  
21 ~~governing body of each county, school district, community college,~~  
22 ~~educational service unit, and natural resources district in which the~~  
23 ~~real property subject to such plan or major modification is located and~~  
24 ~~whose property tax receipts would be directly affected. The notice shall~~  
25 ~~set out the time, date, place, and purpose of the hearing and shall~~  
26 ~~include a map of sufficient size to show the area to be redeveloped. If~~  
27 ~~the registered neighborhood association has been given notice of the~~  
28 ~~public hearing to be held by the planning board or planning commission in~~  
29 ~~conformity with the provisions of this subsection, the governing body or~~  
30 ~~its designee shall not be required to comply with the notice requirements~~  
31 ~~of subsection (2) of this section.~~

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

12       Sec. 13. (1) Public notice of any hearing required under section  
13 18-2109 or 18-2115 shall be given by publication at least once a week for  
14 two consecutive weeks in a legal newspaper in or of general circulation  
15 in the community. The time of the hearing shall be at least ten days from  
16 the last publication.

17       (2)(a) Notice of any hearing required under section 18-2109 or  
18 18-2115 shall be given to neighborhood associations that have registered  
19 under subsection (5) of this section as follows:

20       (i) For a hearing under section 18-2109, notice shall be given to  
21 each registered neighborhood association whose area of representation is  
22 located in whole or in part within a one-mile radius of the area to be  
23 declared substandard and blighted; and

24       (ii) For a hearing under section 18-2115, notice shall be given to  
25 each registered neighborhood association whose area of representation is  
26 located in whole or in part within a one-mile radius of the area to be  
27 redeveloped.

28       (b) Notice under this subsection shall be given at least ten days  
29 prior to the hearing in the manner requested by the neighborhood  
30 association. The notice shall be deemed given on the date it is sent.

31       (3)(a) Notice of any hearing required under section 18-2109 or

1 18-2115 shall be given to political subdivisions as follows:

2 (i) For a hearing under section 18-2109, notice shall be given to  
3 the president or chairperson of the governing body of each county, school  
4 district, community college area, educational service unit, and natural  
5 resources district in which the real property to be declared substandard  
6 and blighted is located; and

7 (ii) For a hearing under section 18-2115, notice shall be given to  
8 the president or chairperson of the governing body of each county, school  
9 district, community college area, educational service unit, and natural  
10 resources district in which the real property subject to the  
11 redevelopment plan or substantial modification thereof is located.

12 (b) Notice under this subsection shall be given at least ten days  
13 prior to the hearing by certified mail, return receipt requested. The  
14 notice shall be deemed given on the date it is mailed by certified mail.

15 (4) All notices given under this section shall describe the time,  
16 date, place, and purpose of the hearing.

17 (5) Each neighborhood association desiring to receive notice of any  
18 hearing required under section 18-2109 or 18-2115 shall register with the  
19 city's planning department or, if there is no planning department, with  
20 the city clerk. The registration shall include a description of the area  
21 of representation of the association, the name of and contact information  
22 for the individual designated by the association to receive the notice on  
23 its behalf, and the requested manner of service, whether by email, first-  
24 class mail, or certified mail. Registration of the neighborhood  
25 association for purposes of this section shall be accomplished in  
26 accordance with such other rules and regulations as may be adopted and  
27 promulgated by the city.

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

30 18-2116 (1) Following the public hearings required under section  
31 18-2115 such hearing, the governing body may approve a redevelopment plan

1 if (a) it finds and documents in writing that the plan is feasible and in  
2 conformity with the general plan for the development of the city as a  
3 whole and the plan is in conformity with the legislative declarations and  
4 determinations set forth in the Community Development Law and (b) it  
5 finds and documents in writing that, if the plan uses funds authorized in  
6 section 18-2147, (i) the redevelopment project in the plan would not be  
7 economically feasible without the use of tax-increment financing, (ii)  
8 the redevelopment project would not occur in the community redevelopment  
9 area without the use of tax-increment financing, and (iii) the costs and  
10 benefits of the redevelopment project, including costs and benefits to  
11 other affected political subdivisions, the economy of the community, and  
12 the demand for public and private services have been analyzed by the  
13 governing body and have been found to be in the long-term best interest  
14 of the community impacted by the redevelopment project.

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

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

13 Sec. 15. Section 18-2117.01, Reissue Revised Statutes of Nebraska,  
14 is amended to read:

15 18-2117.01 (1) On or before December 1 each year, each city which  
16 has approved one or more redevelopment plans which are financed in whole  
17 or in part through the division of taxes ~~use of tax-increment financing~~  
18 as provided in section 18-2147 shall provide a report to the Property Tax  
19 Administrator on each such redevelopment plan which includes the  
20 following information:

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

27 (b) A short narrative description of the type of development  
28 undertaken by the city or village with the financing and the type of  
29 business or commercial activity locating within the redevelopment project  
30 area as a result of the redevelopment project.

31 (2) The report required under subsection (1) of this section must be

1 filed each year, regardless of whether the information in the report has  
2 changed, except that a city is not required to refile a copy of the  
3 redevelopment plan or an amendment thereto if such copy or amendment has  
4 previously been filed.

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

17       Sec. 16. On or before May 1 of each year, each authority, or such  
18 other division or department of the city as designated by the governing  
19 body, shall compile information regarding the approval and progress of  
20 redevelopment projects that are financed in whole or in part through the  
21 division of taxes as provided in section 18-2147 and report such  
22 information to the governing body of the city and to the governing body  
23 of each county, school district, community college area, educational  
24 service unit, and natural resources district whose property taxes are  
25 affected by such division of taxes. The report shall include, but not be  
26 limited to, the following information:

27       (1) The total number of redevelopment projects within the city that  
28 have been financed in whole or in part through the division of taxes as  
29 provided in section 18-2147;

30       (2) The total estimated project costs for all such redevelopment  
31 projects;

1       (3) A comparison between the initial projected valuation of property  
2 included in each such redevelopment project as described in the  
3 redevelopment contract and the assessed value of the property included in  
4 each such redevelopment project as of January 1 of the year of the  
5 report;

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

9       (5) The number of such redevelopment projects approved by the  
10 governing body in the previous calendar year;

11       (6) Information specific to each such redevelopment project approved  
12 by the governing body in the previous calendar year, including the  
13 project area, project type, amount of financing approved, and total  
14 estimated project costs; and

15       (7) The percentage of the city that has been designated as blighted.

16       Sec. 17. A redevelopment project that includes the division of  
17 taxes as provided in section 18-2147 shall not provide for the  
18 reimbursement of costs incurred prior to approval of the redevelopment  
19 project, except for costs relating to:

20       (1) The preparation of materials and applications related to the  
21 redevelopment project;

22       (2) The preparation of a cost-benefit analysis conducted pursuant to  
23 section 18-2113;

24       (3) The preparation of a redevelopment contract;

25       (4) The preparation of bond and other financing instruments;

26       (5) Land acquisition and related due diligence activities,  
27 including, but not limited to, surveys and environmental studies; and

28       (6) Site demolition and preparation.

29       Sec. 18. (1) On and after October 1, 2018, each city that has  
30 approved one or more redevelopment plans or redevelopment projects that  
31 are financed in whole or in part through the division of taxes as

1 provided in section 18-2147 shall retain copies of (a) all such  
2 redevelopment plans and (b) all supporting documents associated with the  
3 redevelopment plans or redevelopment projects and with any related  
4 substandard and blighted declaration under section 18-2109 that are  
5 received or generated by the city.

6 (2) The city shall retain the redevelopment plans and supporting  
7 documents described in subsection (1) of this section for the period of  
8 time required under any applicable records retention schedule adopted  
9 under the Records Management Act or for three years following the end of  
10 the last fiscal year in which ad valorem taxes are divided, whichever  
11 period is longer.

12 (3) For purposes of this section, supporting document includes any  
13 substandard and blighted study or analysis conducted pursuant to section  
14 18-2109, any cost-benefit analysis conducted pursuant to section 18-2113,  
15 and any invoice, receipt, claim, or contract received or generated by the  
16 city that provides support for receipts or payments associated with the  
17 redevelopment plan or redevelopment project.

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

20 18-2119 (1) An authority shall, by public notice by publication once  
21 each week for two consecutive weeks in a legal newspaper having a general  
22 circulation in the city, prior to the consideration of any redevelopment  
23 contract proposal relating to real estate owned or to be owned by the  
24 authority, invite proposals from, and make available all pertinent  
25 information to, private redevelopers or any persons interested in  
26 undertaking the redevelopment of an area, or any part thereof, which the  
27 governing body has declared to be in need of redevelopment. Such notice  
28 shall identify the area, and shall state that such further information as  
29 is available may be obtained at the office of the authority. The  
30 authority shall consider all redevelopment proposals and the financial  
31 and legal ability of the prospective redevelopers to carry out their



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

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

25 (3)(a) Prior to entering into a redevelopment contract pursuant to  
26 this section for a redevelopment plan that includes the division of taxes  
27 ~~use of tax-increment financing~~ as provided in section 18-2147, the  
28 authority shall require the redeveloper to certify the following to the  
29 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 or  
12 redevelopment project that includes the division of taxes as provided in  
13 section 18-2147 shall include a provision requiring that the redeveloper  
14 retain copies of all supporting documents that are associated with the  
15 redevelopment plan or redevelopment project and that are received or  
16 generated by the redeveloper for three years following the end of the  
17 last fiscal year in which ad valorem taxes are divided and provide such  
18 copies to the city as needed to comply with the city's retention  
19 requirements under section 18 of this act. For purposes of this  
20 subsection, supporting document includes any cost-benefit analysis  
21 conducted pursuant to section 18-2113 and any invoice, receipt, claim, or  
22 contract received or generated by the redeveloper that provides support  
23 for receipts or payments associated with the division of taxes.

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

30 Sec. 20. Section 18-2122, Reissue Revised Statutes of Nebraska, is  
31 amended to read:

1           18-2122 An authority shall have the right to acquire by the exercise  
2 of the power of eminent domain any real property which it may deem  
3 necessary for a redevelopment project or for its purposes under the  
4 Community Development Law ~~provisions of sections 18-2101 to 18-2144~~ after  
5 the adoption by it of a resolution declaring that the acquisition of the  
6 real property described therein is necessary for such purposes. The  
7 procedure to condemn property shall be exercised in the manner set forth  
8 in sections 76-704 to 76-724.

9           When an authority has found and determined by resolution that  
10 certain real property described therein is necessary for a redevelopment  
11 project or for its purposes under the Community Development Law  
12 ~~provisions of sections 18-2101 to 18-2144~~, the resolution shall be  
13 conclusive evidence that the acquisition of such real property is  
14 necessary for the purposes described therein.

15           Sec. 21. Section 18-2125, Reissue Revised Statutes of Nebraska, is  
16 amended to read:

17           18-2125 Neither the members of an authority nor any person executing  
18 the bonds shall be liable personally on the bonds by reason of the  
19 issuance thereof. The bonds and other obligations of the authority, and  
20 such bonds and obligations shall so state on their face, shall not be a  
21 debt of the city and the city shall not be liable on such bonds, except  
22 to the extent authorized by sections 18-2147 to 18-2150, nor in any event  
23 shall such bonds or obligations be payable out of any funds or properties  
24 other than those of said authority acquired for the purposes of the  
25 Community Development Law ~~sections 18-2101 to 18-2144~~, except to the  
26 extent authorized by sections 18-2147 to 18-2150. Except to the extent  
27 otherwise authorized, the bonds shall not constitute an indebtedness  
28 within the meaning of any constitutional or statutory debt limitation or  
29 restriction. Bonds of an authority are declared to be issued for an  
30 essential public and governmental purpose and to be public  
31 instrumentalities and, together with interest thereon and income

1 therefrom, shall be exempt from all taxes. All bonds shall be general  
2 obligations of the authority issuing same and shall be payable out of any  
3 revenue, income, receipts, proceeds, or other money of the authority,  
4 except as may be otherwise provided in the instruments themselves.

5 An authority shall have power from time to time to issue bond  
6 anticipation notes, referred to as notes herein, and from time to time to  
7 issue renewal notes, such notes in any case to mature not later than  
8 thirty months from the date of incurring the indebtedness represented  
9 thereby in an amount not exceeding in the aggregate at any time  
10 outstanding the amount of bonds then or theretofore authorized. Payment  
11 of such notes shall be made from any money or revenue which the authority  
12 may have available for such purpose or from the proceeds of the sale of  
13 bonds of the authority, or such notes may be exchanged for a like amount  
14 of such bonds. The authority may pledge such money or revenue of the  
15 authority, subject to prior pledges thereof, if any, for the payment of  
16 such notes, and may in addition secure the notes in the same manner as  
17 herein provided for bonds. All notes shall be issued and sold in the same  
18 manner as bonds, and any authority shall have power to make contracts for  
19 the future sale from time to time of notes on terms and conditions stated  
20 in such contracts, and the authority shall have power to pay such  
21 consideration as it shall deem proper for any commitments to purchase  
22 notes and bonds in the future. Such notes shall also be collaterally  
23 secured by pledges and deposits with a bank or trust company, in trust  
24 for the payment of such notes, of bonds in an aggregate amount at least  
25 equal to the amount of such notes and, in any event, in an amount deemed  
26 by the issuing authority sufficient to provide for the payment of the  
27 notes in full at the maturity thereof. The authority may provide in the  
28 collateral agreement that the notes may be exchanged for bonds held as  
29 collateral security for the notes, or that the trustee may sell the bonds  
30 if the notes are not otherwise paid at maturity, and apply the proceeds  
31 of such sale to the payment of the notes. Such notes shall bear interest

1 at a rate set by the authority, and shall be sold at such price as shall  
2 cause an interest cost thereon not to exceed such rate.

3 It is the intention hereof that any pledge of revenue, income,  
4 receipts, proceeds, or other money made by an authority for the payment  
5 of bonds or notes shall be valid and binding from the time such pledge is  
6 made; that the revenue, income, receipts, proceeds, and other money so  
7 pledged and thereafter received by the authority shall immediately be  
8 subject to the lien of such pledge without the physical delivery thereof  
9 or further act, and that the lien of any such pledge shall be valid and  
10 binding as against all parties having claims of any kind in tort,  
11 contract, or otherwise against the authority irrespective of whether such  
12 parties have notice thereof. Neither the resolution nor any other  
13 instrument by which a pledge is created need be recorded.

14 Sec. 22. Section 18-2127, Reissue Revised Statutes of Nebraska, is  
15 amended to read:

16 18-2127 The bonds may be sold by the authority in such manner and  
17 for such price as the authority may determine, at par or above par, at  
18 private sale or at public sale after notice published prior to such sale  
19 in a legal newspaper having general circulation in the municipality, or  
20 in such other medium of publication as the authority may deem  
21 appropriate, or may be exchanged by the authority for other bonds issued  
22 by it under the Community Development Law ~~sections 18-2101 to 18-2144 and~~  
23 ~~18-2147 to 18-2151~~. Bonds which are issued under this section may be sold  
24 by the authority to the federal government at private sale at par or  
25 above par, and, in the event that less than all of the authorized  
26 principal amount of such bonds is sold by the authority to the federal  
27 government, the balance or any portion of the balance may be sold by the  
28 authority at private sale at par or above par.

29 Sec. 23. Section 18-2129, Reissue Revised Statutes of Nebraska, is  
30 amended to read:

31 18-2129 In any suit, action, or proceedings involving the validity

1 or enforceability of any bond of an authority or the security therefor,  
2 any such bond reciting in substance that it has been issued by the  
3 authority to aid in financing a redevelopment project, as herein defined,  
4 shall be conclusively deemed to have been issued for such purpose and  
5 such project shall be conclusively deemed to have been planned, located,  
6 and carried out in accordance with the purposes and provisions of the  
7 Community Development Law sections 18-2101 to 18-2144.

8 Sec. 24. Section 18-2133, Reissue Revised Statutes of Nebraska, is  
9 amended to read:

10 18-2133 An obligee of an authority shall have the right in addition  
11 to all other rights which may be conferred upon such obligee, subject  
12 only to any contractual restrictions binding upon such obligee:

13 (1) By mandamus, suit, action, or proceeding at law or in equity to  
14 compel said authority and the members, officers, agents, or employees  
15 thereof to perform each and every term, provision, and covenant contained  
16 in any contract of said authority with or for the benefit of such  
17 obligee, and to require the carrying out of any or all such covenants and  
18 agreements to the authority and the fulfillment of all duties imposed  
19 upon the authority by the Community Development Law provisions of  
20 sections 18-2101 to 18-2144; and

21 (2) By suit, action, or proceeding in equity to enjoin any acts or  
22 things which may be unlawful, or the violation of any of the rights of  
23 such obligee of the authority.

24 Sec. 25. Section 18-2134, Reissue Revised Statutes of Nebraska, is  
25 amended to read:

26 18-2134 All public officers, municipal corporations, political  
27 subdivisions, and public bodies; all banks, trust companies, bankers,  
28 savings banks and institutions, building and loan associations, savings  
29 and loan associations, investment companies, and other persons carrying  
30 on a banking business; all insurance companies, insurance associations,  
31 and other persons carrying on an insurance business; and all executors,

1 administrators, curators, trustees, and other fiduciaries may legally  
2 invest any sinking funds, money, or other funds belonging to them or  
3 within their control in any bonds or other obligations issued by an  
4 authority pursuant to the Community Development Law sections 18-2101 to  
5 ~~18-2144~~ or by any public housing or redevelopment authority or  
6 commission, or agency or any other public body in the United States for  
7 redevelopment purposes, when such bonds and other obligations are secured  
8 by an agreement between the issuing agency and the federal government in  
9 which the issuing agency agrees to borrow from the federal government and  
10 the federal government agrees to lend to the issuing agency, prior to the  
11 maturity of such bonds or other obligations, money in an amount which,  
12 together with any other money irrevocably committed to the payment of  
13 interest on such bonds or other obligations, will suffice to pay the  
14 principal of such bonds or other obligations with interest to maturity  
15 thereon, which money under the terms of the agreement is required to be  
16 used for the purpose of paying the principal of and the interest on such  
17 bonds or other obligations at their maturity, and such bonds and other  
18 obligations shall be authorized security for all public deposits. It is  
19 the purpose of this section to authorize any persons, political  
20 subdivisions, and officers, public or private, to use any funds owned or  
21 controlled by them for the purchase of any such bonds or other  
22 obligations. However, nothing contained in this section with regard to  
23 legal investments shall be construed as relieving any person of any duty  
24 of exercising reasonable care in the selection of securities.

25       Sec. 26. Section 18-2137, Reissue Revised Statutes of Nebraska, is  
26 amended to read:

27       18-2137 The property of an authority is declared to be public  
28 property used for essential public and governmental purposes and shall be  
29 exempt from all taxes. Whenever such authority shall purchase or acquire  
30 real property pursuant to the Community Development Law sections 18-2101  
31 ~~to 18-2144~~, the authority shall annually, so long as it shall continue to

1 own such property, pay out of its revenue to the State of Nebraska,  
2 county, city, township, school district, or other taxing subdivision in  
3 which such real property is located, in lieu of taxes, a sum equal to the  
4 amount which such state, county, city, township, school district or other  
5 taxing subdivision received from taxation from such real property during  
6 the year immediately preceding the purchase or acquisition of such real  
7 property by the authority. The county board of equalization may, in any  
8 year subsequent to the purchase or acquisition of such property by the  
9 authority, determine the amount that said authority shall pay out of its  
10 revenue to the State of Nebraska and its several governmental  
11 subdivisions in lieu of taxes, which sum shall be as justice and equity  
12 may require, notwithstanding the amount which the state and its  
13 governmental subdivisions may have received from taxation during the year  
14 immediately preceding the purchase or acquisition of such property.  
15 With ; ~~Provided, that~~ with respect to any property in a redevelopment  
16 project, the tax exemption provided herein shall terminate when the  
17 authority sells, leases, or otherwise disposes of such property to a  
18 redeveloper for redevelopment. The members of the authority shall not  
19 incur any personal liability by reason of the making of such payments.

20 Sec. 27. Section 18-2138, Reissue Revised Statutes of Nebraska, is  
21 amended to read:

22 18-2138 In addition to any other provisions governing any public  
23 body set forth in the Community Development Law ~~sections 18-2101 to~~  
24 ~~18-2144 and 18-2147 to 18-2151~~, for the purpose of aiding and cooperating  
25 in the planning, undertaking, or carrying out of a redevelopment project  
26 located within the area in which it is authorized to act, any public body  
27 may, upon such terms, with or without consideration, as it may determine:  
28 (1) Dedicate, sell, convey, or lease any of its interest in any property,  
29 or grant easements, licenses, or any other rights or privileges therein  
30 to an authority; (2) cause parks, playgrounds, recreational, community,  
31 educational, water, sewer or drainage facilities, or any other works



1 which it is otherwise empowered to undertake, to be furnished in  
2 connection with a redevelopment project; (3) furnish, dedicate, close,  
3 vacate, pave, install, grade, regrade, plan, or replan streets, roads,  
4 sidewalks, ways, or other places, which it is otherwise empowered to  
5 undertake; (4) plan or replan, zone or rezone any part of the public  
6 body, or make exceptions from building regulations and ordinances if such  
7 functions are of the character which the public body is otherwise  
8 empowered to perform; (5) cause administrative and other services to be  
9 furnished to the authority of the character which the public body is  
10 otherwise empowered to undertake or furnish for the same or other  
11 purposes; (6) incur the entire expense of any public improvements made by  
12 such public body in exercising the powers granted in this section; (7) do  
13 any and all things necessary or convenient to aid and cooperate in the  
14 planning or carrying out of a redevelopment plan; (8) lend, grant, or  
15 contribute funds to an authority; (9) employ any funds belonging to or  
16 within the control of such public body, including funds derived from the  
17 sale or furnishing of property, service, or facilities to an authority,  
18 in the purchase of the bonds or other obligations of an authority and, as  
19 the holder of such bonds or other obligations, exercise the rights  
20 connected therewith; and (10) enter into agreements, which may extend  
21 over any period, notwithstanding any provision or rule of law to the  
22 contrary, with an authority respecting action to be taken by such public  
23 body pursuant to any of the powers granted by the Community Development  
24 Law provisions of sections 18-2101 to 18-2144. If at any time title to,  
25 or possession of, any redevelopment project is held by any public body or  
26 governmental agency, other than the authority, authorized by law to  
27 engage in the undertaking, carrying out or administration of  
28 redevelopment projects, including any agency or instrumentality of the  
29 United States of America, the provisions of such agreements shall inure  
30 to the benefit of and may be enforced by such public body or governmental  
31 agency.

1           Sec. 28. Section 18-2140, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3           18-2140 An authority may, at such time as it may deem necessary,  
4 file with the governing body an estimate of the amounts necessary to be  
5 appropriated by the governing body to defray the expense of the  
6 authority. The governing body of such city is hereby authorized, in its  
7 discretion, to appropriate from its general fund and to place at the  
8 disposal of the authority an amount sufficient to assist in defraying  
9 such expense. Any city located within the area of operation of an  
10 authority may grant funds to an authority for the purpose of aiding such  
11 authority in carrying out any of its powers and functions under the  
12 Community Development Law provisions of sections 18-2101 to 18-2144. To  
13 obtain funds for this purpose, the city may levy taxes and may issue and  
14 sell its bonds. Any bonds to be issued by the city pursuant to the  
15 provisions of this section shall be issued in the manner and within the  
16 limitations, except as otherwise provided by the Community Development  
17 Law sections 18-2101 to 18-2144, prescribed by the laws of this state for  
18 the issuance and authorization of bonds by a city for any public purpose.

19           Sec. 29. Section 18-2141, Reissue Revised Statutes of Nebraska, is  
20 amended to read:

21           18-2141 Any instrument executed by an authority and purporting to  
22 convey any right, title, or interest in any property under the Community  
23 Development Law sections 18-2101 to 18-2144 shall be conclusive evidence  
24 of compliance with the Community Development Law provisions of sections  
25 18-2101 to 18-2144 insofar as title or other interest of any bona fide  
26 purchasers, lessees, or other transferees of such property is concerned.

27           Sec. 30. Section 18-2142.01, Reissue Revised Statutes of Nebraska,  
28 is amended to read:

29           18-2142.01 (1) In any suit, action, or proceeding involving the  
30 validity or enforceability of any bond of a city, village, or authority  
31 or the security therefor brought after the lapse of thirty days after the

1 issuance of such bonds has been authorized, any such bond reciting in  
2 substance that it has been authorized by the city, village, or authority  
3 to aid in financing a redevelopment project shall be conclusively deemed  
4 to have been authorized for such purpose and such redevelopment project  
5 shall be conclusively deemed to have been planned, located, and carried  
6 out in accordance with the purposes and provisions of the Community  
7 Development Law ~~and sections 18-2145 to 18-2154.~~

8 (2) In any suit, action, or proceeding involving the validity or  
9 enforceability of any agreement of a city, village, or authority brought  
10 after the lapse of thirty days after the agreement has been formally  
11 entered into, any such agreement reciting in substance that it has been  
12 entered into by the city, village, or authority to provide financing for  
13 an approved redevelopment project shall be conclusively deemed to have  
14 been entered into for such purpose and such project shall be conclusively  
15 deemed to have been planned, located, and carried out in accordance with  
16 the purposes and provisions of the Community Development Law ~~and sections~~  
17 ~~18-2145 to 18-2154.~~

18 Sec. 31. Section 18-2143, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20 18-2143 The powers conferred by the Community Development Law  
21 ~~sections 18-2101 to 18-2144~~ shall be in addition and supplemental to the  
22 powers conferred by any other law and shall be independent of and in  
23 addition to any other provision of the laws of the State of Nebraska with  
24 reference to the matters covered in the Community Development Law hereby  
25 and shall be considered as a complete and independent act and not as  
26 amendatory of or limited by any other provision of the laws of the State  
27 of Nebraska. Notwithstanding any other evidence of legislative intent, it  
28 is hereby declared to be the controlling legislative intent that if any  
29 provision of the Community Development Law ~~sections 18-2101 to 18-2144,~~  
30 or the application thereof to any person or circumstances is held  
31 unconstitutional or invalid, it shall not affect the other provisions of

1 ~~the Community Development Law sections 18-2101 to 18-2144~~ or the  
2 application of such provision to other persons or circumstances. The  
3 ~~Community Development Law provisions of sections 18-2101 to 18-2144~~ and  
4 all grants of power, authority, rights, or discretion ~~herein~~ made to a  
5 city and to an authority created under the Community Development Law  
6 ~~provisions hereof~~ shall be liberally construed, and all incidental powers  
7 necessary to carry into effect the Community Development Law provisions  
8 ~~of such sections~~ are hereby expressly granted to and conferred upon a  
9 city or an authority created pursuant thereto ~~hereto~~.

10       Sec. 32. Section 18-2144, Reissue Revised Statutes of Nebraska, is  
11 amended to read:

12       18-2144 The Community Development Law Sections 18-2101 to 18-2144  
13 shall be full authority for the creation of a community redevelopment  
14 authority by a city or village, and for the exercise of the powers  
15 therein granted to a city or village and to such authority, and shall  
16 also be full authority for the creation of a community development agency  
17 by a city or village, and for the exercise of the powers therein granted  
18 to a city or village for such purpose, and no action, proceeding, or  
19 election shall be required prior to the creation of a community  
20 redevelopment authority or community development agency ~~hereunder~~ or to  
21 authorize the exercise of any of the powers granted in the Community  
22 Development Law such sections, except as specifically provided in the  
23 Community Development Law such sections, any provision of law or of any  
24 city charter or village law to the contrary notwithstanding.

25       No proceedings for the issuance of bonds of an authority or of a  
26 city or village for its community development agency shall be required  
27 other than those required by the Community Development Law provisions of  
28 ~~sections 18-2101 to 18-2144~~; and the provisions of all other laws and  
29 city charters, if any, relative to the terms and conditions for the  
30 issuance, payment, redemption, registration, sale or delivery of bonds of  
31 public bodies, corporations, or political subdivisions of this state

1 shall not be applicable to bonds issued by an authority pursuant to the  
2 Community Development Law sections 18-2101 to 18-2144.

3 Insofar as the provisions of the Community Development Law sections  
4 18-2101 to 18-2144 are inconsistent with the provisions of any other law  
5 or of any city charter, if any, the provisions of the Community  
6 Development Law sections 18-2101 to 18-2144 shall be controlling.

7 Sec. 33. Section 18-2145, Reissue Revised Statutes of Nebraska, is  
8 amended to read:

9 18-2145 The provisions of the Community Development Law that are  
10 sections 18-2101 to 18-2144 not in conflict with the provisions relating  
11 to limited community redevelopment authorities and that are sections  
12 18-2102.01, 18-2103, 18-2107, 18-2145, and 18-2146 and necessary or  
13 convenient to carry out the powers expressly conferred upon limited  
14 community redevelopment authorities or the intent and purpose of sections  
15 18-2102.01, 18-2103, 18-2107, 18-2145, and 18-2146 shall apply to the  
16 limited community redevelopment authorities authority hereby authorized.

17 Sec. 34. Section 18-2147, Revised Statutes Cumulative Supplement,  
18 2016, is amended to read:

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

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

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

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

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

5 (2) To the extent that a redevelopment plan authorizes the division  
6 of ad valorem taxes levied upon only a portion of the real property  
7 included in such redevelopment plan, any improvements funded by such  
8 division of taxes shall be related to the redevelopment plan that  
9 authorized such division of taxes.

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

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

31 Sec. 35. Section 18-2153, Reissue Revised Statutes of Nebraska, is

1 amended to read:

2 18-2153 The powers conferred by sections 18-2147 to 18-2153 shall be  
3 in addition and supplemental to the powers conferred by ~~the Community~~  
4 ~~Development Law~~ and by any other law and shall be independent of and in  
5 addition to any other provision of the laws of the State of Nebraska with  
6 reference to the matters covered in such sections hereby. The provisions  
7 of such sections and all grants of power, authority, rights, or  
8 discretion to a city or village and to an authority created under the  
9 Community Development Law shall be liberally construed, and all  
10 incidental powers necessary to carry into effect such sections are hereby  
11 expressly granted to and conferred upon a city or village or an authority  
12 created pursuant to the Community Development Law.

13 Sec. 36. Section 77-1704.01, Revised Statutes Cumulative Supplement,  
14 2016, is amended to read:

15 77-1704.01 (1) The county treasurer shall include with each tax  
16 notice to every taxpayer and with each receipt provided to a taxpayer the  
17 following information:

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

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

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

27 (d) For real property that has its taxes divided under section  
28 18-2147 as part of a redevelopment project under the Community  
29 Development Law, the amount of taxes reflected on the statement that are  
30 allocated to the county, city, village, school district, learning  
31 community, and other subdivisions, the amount of taxes reflected on the



1 statement that are allocated to the redevelopment project, and a  
2 statement explaining that taxes on the real property have been divided as  
3 part of a redevelopment project under the Community Development Law for a  
4 period not to exceed fifteen years; and

5 (e) {d} For taxes levied for fiscal year 2017-18 on real property  
6 within a learning community, statements explaining that the school  
7 district levies for learning community member districts are increasing,  
8 in part, as a result of the expiration of the learning community common  
9 levies, the proceeds of which were distributed directly to school  
10 districts, and that the remaining learning community levies fund  
11 activities of the learning community.

12 (2) The necessary form for furnishing the information required by  
13 subdivisions (1)(a), (b), and (e) {d} of this section shall be prescribed  
14 by the Department of Revenue. The necessary information required by  
15 subdivision (1)(a) of this section shall be furnished to the county  
16 treasurer by the Department of Revenue prior to October 1 of each year.  
17 The form prescribed by the Department of Revenue shall contain the  
18 following statement:

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

22 Sec. 37. Original sections 15-1301, 18-2101.01, 18-2104, 18-2107,  
23 18-2109, 18-2113, 18-2116, 18-2117.01, 18-2122, 18-2125, 18-2127,  
24 18-2129, 18-2133, 18-2134, 18-2137, 18-2138, 18-2140, 18-2141,  
25 18-2142.01, 18-2143, 18-2144, 18-2145, and 18-2153, Reissue Revised  
26 Statutes of Nebraska, sections 13-2610, 18-2101, 18-2103, 18-2115,  
27 18-2119, 18-2147, and 77-1704.01, Revised Statutes Cumulative Supplement,  
28 2016, and sections 17-405.01 and 18-2102.01, Revised Statutes Supplement,  
29 2017, are repealed.