

Transcript Prepared by Clerk of the Legislature Transcribers Office
Urban Affairs Committee February 15, 2022

HUNT: Thanks, Angenita. Good afternoon and welcome to the Urban Affairs Committee. My name is Senator Megan Hunt. I represent the 8th Legislative District, which includes the northern part of midtown Omaha, and I serve as Vice Chair of the Urban Affairs Committee. Our chairman, Justin Wayne, is introducing several bills today so he'll be in and out. So I'll be chairing our committee to begin. We'll start off having members of the committee and staff do self-introductions starting on my right with Senator Blood.

BLOOD: Good afternoon. Senator Carol Blood, representing western Bellevue and parts of Papillion, Nebraska.

BRIESE: Tom Briese, District 41.

TREVOR FITZGERALD: Trevor Fitzgerald, committee legal counsel.

LOWE: John Lowe, District 36-- 37: Kearney, Gibbon, and Shelton. We had redistricting. I have no idea.

ANGENITA PIERRE-LOUIS: Angenita Pierre-Louis, committee clerk.

HUNT: Also assisting the committee are our committee pages, Ritsa Giannakas from Lincoln, who is a political science and econ major at UNL, and Kennedy Rittscher from Lincoln, who is a poli-sci major at UNL. In light of the ongoing COVID pandemic, we respectfully request that you wear a mask or face covering while in the hearing room. Testifiers and speakers may remove their masks during testimony to assist committee members and transcribers in clearly understanding testimony. This afternoon, we will be hearing six bills and we'll be taking them up in the order listed outside the room. On the table near the entrance, you will find blue testifier sheets. If you're planning on testifying today, please fill one out and hand it to our clerk, Angenita, when you come up. This will help us keep an accurate record of the hearing. Please note that if you wish to have your position listed on the committee statement for a particular bill, you must testify to that position during the bill's hearing. If you do not wish to testify, but would like to record your position on a bill, please fill out a gold sheet near the entrance. Also, I'll note the Legislature's policy that all letters for the record must be received via the online comments portal by the committee by noon the day prior to the hearing. Any handouts submitted by testifiers will also be included as part of the record as exhibits. We ask that if you have any handouts, that you please bring ten copies and give them to the page. If you need help making copies, the pages can help you make

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more. Testimony for each bill will begin with the introducer's opening statement. After the opening statement, we will hear from supporters of the bill, from those in opposition, and then finally, those speaking in a neutral capacity. The introducer of the bill will then be given an opportunity to make closing statements if they wish to do so. We also ask that you begin your testimony by giving us your first and last name. You don't have to give your address, but please spell your name for the record. We will be using a four-minute light system today. When you begin your testimony, the light on the table will turn green. The yellow light is your one-minute warning and when the red light comes on, we ask you to wrap up your final thoughts. I also remind everybody, including senators, to please silence anything that will make noise, phones. And with that, we'll begin today's hearing with, with LB1189 from Senator Flood. Welcome.

FLOOD: Thank you, Vice Chairman Hunt, members of the Urban Affairs Committee. My name is Mike Flood, F-l-o-o-d. I represent the 19th Legislative District, which includes all of Madison County and southern Pierce County. Today I'm here to introduce LB1189. Before I start-- and I think the legal counsel of this committee will appreciate this-- this bill does not have anything to do with sanitary improvement districts, SIDs. Rather, it addresses SDDs, sanitary drainage districts, located solely within a municipality and which are discussed separately in section 31-501. There is only one sanitary drainage district inside a city in the state of Nebraska and that is in Norfolk. Back in 1919, the people of Norfolk got together to build what we commonly called the gulch system to move water through our town and it was kind of our flood control before we got real flood control in the '60s. The drainage district is responsible for maintaining gulches and the north fork of the Elkhorn River as it runs north to south in my hometown. The impetus for this legislation originated from a conversation I had in Norfolk back in the interim. The attorney for the sanitary drainage district met with two of the three commissioners of the gulch system and one position is vacant due to a death. And they want to-- it's come to the time where they want to transfer this responsibility onto someone else. While the drainage district has had an important role for Norfolk, the board wants to dissolve. This bill would provide that upon the discontinuance of a sanitary drainage district located within a municipality of which there is only one, the funds, property taxes, and assessments will be transferred to the city and in this case, in this bill to a riverfront development district if the city has elected to establish one pursuant to a bill that I believe a senator-- used to be the Chair of this committee-- Senator Crawford established and she established a

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riverfront development district two years ago or three years ago in section 19-5304. Along with this transfer came the responsibilities of carrying out all valid contracts and obligations, including bonds, warrants, and other debts. And so this is a, this is a simple and straightforward bill. It allows the city of Norfolk to manage this gulch system to provide for its maintenance, to move water through the community, and the best part is to coincide with what our municipality-- and the mayor of Norfolk is here will talk about by improving the riverfront district and making it something that everyone can enjoy. Thank you very much.

HUNT: Thank you, Senator Flood. Any questions from the committee? Seeing none, appreciate your opening today.

FLOOD: Thank you.

HUNT: First proponent of LB1189. Welcome.

JOSH MOENNING: Good afternoon. Vice Chair Hunt, members of the committee, my name is Josh Moenning, J-o-s-h M-o-e-n-n-i-n-g. I am mayor of the city of Norfolk. I want to start by thanking Senator Flood for bringing this bill that modernizes waterway oversight within cities and I should just say city, because I think, as we've heard, this only applies to the city of Norfolk. In Norfolk, the transfer of responsibilities from the existing sanitary district to the city would be a natural and seamless one. We've maintained a close relationship with the district's representatives and were closely managing the drainage responsibilities over the course of several years. The timing is right for a full transfer of these responsibilities, given the city of Norfolk's major public improvement investments in the north fork of the Elkhorn River, which is the district's primary drainage responsibility. In coming months, the city will embark on a \$12 million riverfront redevelopment project that will, among other things, return the river to its more natural course, improve its drainage capacity throughout the community, promote water recreation and tourism, and prompt private redevelopment efforts in our downtown area and new economic growth. The city has already established a riverfront overlay district to help manage and guide growth along the river corridor. Additionally, the transition from our existing downtown business improvement district to a riverfront development district, as Senator Flood mentioned, is already in process. The city's public works division is fully capable and desirous of taking on riverway drainage responsibilities. And another challenge I would add within the existing model is finding citizens now willing to run for the sanitary district's board. As of yesterday, no one was filed

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to run for any of the seats on that corporation board. For all these reasons, I encourage your strong support of LB1189 and would welcome any questions.

HUNT: Thank you, Mayor Moenning. Any questions from the committee? I have no questions. Thanks for--

JOSH MOENNING: All right.

HUNT: --for being here.

JOSH MOENNING: Thanks for your time.

HUNT: Any other proponents for LB1189? Seeing none, are there any opponents? Seeing none, anyone in neutral? Seeing none, Senator Flood, you're invited to close.

FLOOD: Thank you, Senator Hunt. Given that no one's applied for this position, I would ask two things of the committee: one would be to add an emergency clause so that we can wrap this up; and two would be I would ask for this committee's unanimous vote in support so that this could be a candidate for a consent calendar.

HUNT: Great. Thank you, Senator Flood. Any questions? Thank you.

FLOOD: Thank you.

HUNT: We have no letters for the record on LB1189 and with that, I'll close that hearing. Next, we have a bill from Senator Wayne, so we'll just stand at ease for a minute.

TREVOR FITZGERALD: He's supposed to be come right back.

[EASE]

HUNT: You're invited to open on LB1073. Welcome.

WAYNE: Good afternoon, Vice Chairwoman Hunt and members of the Urban Affairs Committee. My name is Justin Wayne, J-u-s-t-i-n W-a-y-n-e, and I represent Legislative District 13, which is north Omaha and northeast Douglas County. Since I joined the Legislature, other than property taxes, I think no other single issue has been more prominent in the legislative hearings and on the floor than affordable housing. Despite the fact that affordable housing has been repeatedly identified as the number one or two economic development issue facing our state, state government currently lacks a coordinated strategy to

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address this fundamental change-- or challenge. When I introduced LB1073, I counted at least three different agencies that have state programs related to housing: Department of Economic Development, Department of Health and Human Services, and NIFA, which is Nebraska Investment Finance Authority. Just yesterday, thanks to the thorough work of our Legislative Fiscal Office, I discovered that at least one additional state agency, the Department of Environment and Energy, also contain a state housing program. The premise behind LB1073 is quite simple. If we take a myriad of housing programs scattered throughout different agencies and we put them underneath one roof, the result state agency is the Nebraska Department of Housing and Urban Development, which would put our housing programs underneath one single agency dedicated exclusively to housing issues. Currently, there are at least 20 states that have either a department or a division dedicated exclusively to housing and, and a map to those states is included in your material. You would typically think this was a red or blue issue, but it's not. Large patterns of states across the political spectrum when it comes to department of housing or divisions: Montana, Texas, Utah among some that have both department-- both a department or a division. Under this bill, the Department of Housing and Urban Development would be a code agency with a director appointed by the Governor and approved by the Legislature. The department would administer and serve the lead agency for the state programs relating to housing and homelessness, including the Affordable Housing Trust Fund, Homeless Shelter Assistance Trust Fund Act, Rural Workforce Housing Act-- Investment Act, Middle Income Workforce Housing Investment Act. LB1073 would also provide a state with oversight of housing authorities under the Nebraska Housing Agency Act. While I anticipate that there are many who might push back from existing agencies or organizations to a whole restructuring of our state housing program, I simply want to address the argument raised in letters of opposition received by the committee. Any concerns that LB1073 would create a bureaucracy or more regulations is simply not borne out in the facts. As the fiscal note makes clear, the overwhelming majority of the cost associated with establishing a new department would be simply shifting expenditures from one agency to another. On page 2 of the fiscal note, the Fiscal Office projects that additional costs would be \$38,600 in a one-time startup cost and \$360,000 for ongoing costs, mostly related to the new agency director and deputy director salaries. Obviously, the process of creating a new agency is complicated and significant undertaking, but again, the issue of housing has been at the forefront since all of us has been here. I anticipate a number of people behind me will testify and give answers to other issues that may arise in our current state of housing

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or provide solutions. The point of this conversation is if it's the number one issue facing rural and urban, the number one issue facing across the state, we have nobody at our state level directing and coordinating these efforts and maybe it's time that we have that. And with that, I will answer any questions.

HUNT: Thank you, Senator Wayne. Any questions from the committee? This would be a big change, but I don't have any questions yet so thank you.

WAYNE: Thank you.

HUNT: I'd invite up the first proponent for LB1073. Welcome.

WAYNE MORTENSEN: Thank you, Senator Hunt. Wayne Mortensen, CEO of NeighborWorks Lincoln, W-a-y-n-e M-o-r-t-e-n-s-e-n. Thank you for your time today. This is written testimony that was submitted ahead of time so I'll try to just succinctly clarify the main points. NeighborWorks Lincoln is a state leader in the creation of for-sale affordable housing and over the last 36 years, we've come to become a perennial grant recipient of which we are very grateful for of nearly \$4 million of public support spread across the five different programs and four different agencies, all with their own requirements, as you might imagine. Through that work, we've developed an acute understanding of neighbor-- of Nebraska's housing market on the whole. And it's a housing market that has come to be known unfortunately for its scarcity and exclusion of low- and middle-income families. The dearth of affordable housing in communities both large and small, urban and rural is a roadblock to housing security and economic resilience statewide. Beyond the household strain, the affordable housing deficit will increasingly threaten our economic competitiveness and job creation solutions until we can figure out a solution to the housing deficit that we face across the state. In this light, we applaud everyone that's been involved in the drafting and leadership of LB1073 to elevate the importance of housing and urban development into a cabinet-level department. We support that renewed focus that would accompany such a restructuring and are hopeful that such a move would result in increased awareness by your average Nebraskan of the incredible need for additional housing, as well, the efficiency by consolidating the various housing and development-related initiatives under one roof. In addition to the possible efficiencies, we would look to the new department's ability to convene diverse stakeholders from across the state to innovate an array of solutions that reflect the unique needs of Nebraska's unique communities. The potential to streamline program requirements and layer various funding subsidies

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could also help developers like us to scale housing innovations across the state. Our primary concern with the legislation, as it's currently written, revolves around the political vulnerability of the department and the control the current legislation places with the executive. Historically, housing and urban development issues have received a disproportionate share of the Unicameral's ire and we fear that placing the entirety of housing and development-related programs in one place would make them an easy target for future sessions the administration is apathetic to the mission of the department. Allowing a future Governor to populate both the board and advisory committees also suggests that the department could become rapidly politicized and complicate access to resources by organizations like ours that work in urban areas where these challenges are acute. We might suggest, for instance, that housing and community development as an, as an alternative would be a department name that more accurately reflects the range of services necessary and the diverse communities they would serve, while also establishing a smaller target on itself. We look forward very much to following this critical conversation and would love to be supportive however we can. Please don't hesitate to call upon us if we can be of help.

HUNT: Thank you very much, Mr. Mortensen. Any questions from the committee? Seeing none, thanks for being here. Next supporter of LB1073. Anybody else? OK, could you move the chair out for me? Thank you so much.

JOEY LITWINOWICZ: I have to do this, sorry.

HUNT: That's OK.

JOEY LITWINOWICZ: Oh, that's right. Hello. Good afternoon, Vice Chair Hunt, committee members. My name is Joey Litwinowicz, J-o-e-y L-i-t-w-i-n-o-w-i-c-z. We're going to run through a yellow light with my name length. Anyway, I don't know if-- maybe conditional support, but I'll tell you something. I-- we really have a neat housing authority in Lincoln. It's actually one of the pioneering ones. I just wouldn't want to see that really interfered with here. The need for housing-- I can share my story-- is, is quite acute and we need close to 5,000 more units or something. I was homeless in my wheelchair once and I, I, I couldn't find a place to live. And so I had a medical issue and that was the only thing that-- I was put into contact with the resources to get housing. Lutheran Family Services helped me. They actually put me up in a hotel for a week and only by a miracle of, of, of the lady that was helping me calling every day-- because where I live now, you had-- you can't be on a waiting list. And so whatever--

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you know, whatever is being considered here, I just-- I like the idea, you know, if the organization-- if it actually helps. I wish I was a little more familiar. I wanted to share my story because I almost didn't get housing for who knows how long because with my disability, there's not a lot of Section 8 housing available. You know, they're usually bigger places, which is fine and-- but it's just not-- some places, I had to be over 50, which I am now, but-- or 55, but I found a real difficult time. I can't even tell you. I was so glad to get a place to live and the housing shortage in Lincoln was really acute and we have a good-- I, I really like our housing authority and I just want to mention that. And also as a quick note, I want to share something that's kind of strange every time. I got my glasses, you know, because of-- you know, I get glasses every two years, but the stem size is fixed. So the stem isn't long enough and I have to lean over sometimes and they fell off and got broken, just a little, just a little, you know, something that-- why-- my life is kind of expensive. Anyway, so thank you for listening and I'm gone. Take care.

HUNT: Thank you, Mr. Litwinowicz. Are there any questions from the committee? Seeing none, thanks for being here today.

JOEY LITWINOWICZ: Yeah, it's actually Ms., but that's OK. Thank you.

LOWE: Joey, you dropped something.

JOEY LITWINOWICZ: Oh, thanks.

HUNT: Thank you, Ms. Litwinowicz.

JOEY LITWINOWICZ: Thank you.

HUNT: Any other proponents of LB1073? Are there any opponents? Opponents? Seeing none, anyone to testify in the neutral capacity? Come on up. Welcome.

CAROL BODEEN: Good afternoon, Vice Chairperson Hunt and members of the Urban Affairs Committee. My name is Carol Bodeen, C-a-r-o-l B-o-d-e-e-n. I'm the director of policy and outreach for the Nebraska Housing Developers Association and our office is located here in Lincoln. I'm here today to testify in a neutral position on LB1073. The Nebraska Housing Developers Association is a membership organization with over 70 members from across the state. Our mission is to champion affordable housing. It's our goal that Nebraskans of every income have the cornerstone foundation of a healthy and affordable home. Our members include both nonprofit and for-profit developers and organizations. We appreciate Senator Wayne's attention

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to housing and his desire to more effectively and efficiently attack the multitude of housing issues within our state. We believe that this is an excellent conversation to have at this time. We've taken a neutral position on this bill as it currently stands based on the following reasons. Housing is already a separate division within the Department of Economic Development. Is there a way to address the concerns that motivated this proposal without completely scrapping the current structure and creating an entirely new department? Our other concern or question is timing. If this change were to take place in the near future, it could hamper getting the funds we are hoping to have appropriated to housing in this current cycle out the door in an expedited timeframe that is really needed. Bottom line, we would like to keep talking about this and offer any assistance that we can to better address the lack of affordable housing and the challenges we all face in developing it. I thank you for the opportunity to weigh in on this and happy to take any questions.

HUNT: Thank you very much for your testimony. Any questions from the committee? Seeing none, thank you.

CAROL BODEEN: Thank you.

HUNT: Next neutral testifier for LB1073. Welcome.

SHANNON HARNER: Thank you, Vice Chair Hunt. My name is Shannon Harner, S-h-a-n-n-o-n H-a-r-n-e-r, and I'm the executive director of the Nebraska Investment Finance Authority. I left the private business world 18 months ago to take the helm at NIFA because I know how critical housing is to our state and I'm pleased to testify today regarding LB1073, which proposes to create a housing and urban development agency within the state of Nebraska. My testimony today is neutral with regard to the proposal. However, I understand the need and importance of more closely coordinating housing resources across the state to create a more strategic and efficient use of those resources. There are important housing programs that are at the federal, state, and local levels, as well as opportunities to leverage nonprofit dollars and public-private partnerships in the quest to assure sufficient housing is created and maintained across our state for both workforce housing and low- to moderate-income populations. While the idea behind LB1073 is laudable, I believe a significant improvement from our current status can be made without adding a new agency by taking a few simple steps. First, housing stakeholders should more closely collaborate with one another across the state, creating a statewide housing strategy that includes private, public, and nonprofit stakeholders. Second, an asset map of available

resources and programs should be readily available, allowing communities and developers to more easily understand the capital stack, how to best layer programs together effectively, and where the funding gaps are most prevalent. Third, state and local entities should review how current housing programs are working and seek to reduce duplicate or overlapping compliance, creating a plan to voluntarily partner with other governmental entities when appropriate to streamline processes. NIFA believes strongly in the idea of a statewide strategy and has proactively begun work on building a coalition of housing stakeholders to facilitate a statewide strategy. We hope to have that completed by December of this year. NIFA sees its role as bringing innovative solutions to difficult problems, as well as staying in the middle of all things housing in our state. NIFA is the state of Nebraska's housing finance agency and we believe by working closely with NDED and DHHS, NIFA can assist in ensuring state programs work together to create bigger impact in a more streamlined manner. NIFA has good relationships with both DHHS and with DED. While the current version of this bill addresses only governmental entities, which NIFA is not, it is important to understand that NIFA performs many housing-related functions and you'll see some of those on the, the handout that I've provided to you. And some of those functions simply cannot or should not be folded under the auspices of a state agency. As a quasi-governmental entity, NIFA is able to issue debt for the state of Nebraska, which cannot go into debt itself. As a state housing finance agency, NIFA regularly issues bond debt to fund low-to moderate-income loan programs for first-time homebuyers, a program that exists in every state of the Union. And another key efficiency in place is the marriage of allocating private activity volume cap with the 4 percent low-income housing tax credits. Decoupling those two things, which are very intertwined, would overly complicate the LIHTC program. So the need for housing cannot be solved by the stroke of a pen. Rather, it will be take-- it will take concerted long-term effort and collaboration and continued innovation and partnership at the federal, state, and local levels with nonprofit and private partners, as well as governmental. NIFA is committed to being part of the solution for Nebraskans and looks forward to continuing to work with you and your constituents. Thank you again for allowing me to comment on LB1073 and I'm happy to answer any questions that you may have.

HUNT: Thank you very much, Ms. Harner. Are there any questions from the committee? Senator Lowe.

LOWE: Thank you, Vice Chair. Thank you for coming today. So what you're saying is that any one of these other entities that could

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perform this duty. We don't need another agency to interfere with this.

SHANNON HARNER: That, that is, that is my belief. I think that simply by coordinating and having more of a focus, which NIFA, NIFA is stepping up to try to do, that having someone focusing on the collaboration and keeping people working together toward a statewide plan can accomplish the same thing with, with less administration, with less overhead.

LOWE: OK. Why hasn't it not been done in the past?

SHANNON HARNER: As I indicated, I've been at NIFA for 18 months, and while I can't, I can't speak to the past, what I can speak to is the future. And I see and my board sees the role of NIFA as being a facilitator and a collaborator across the state to help housing become as strong as it can for our state.

LOWE: OK, thank you.

HUNT: Any other questions? Thank you.

SHANNON HARNER: Thank you.

HUNT: Any other neutral testifiers for LB1073? Seeing none, we have four letters for the record, two in support and two in opposition, and I'll invite Senator Wayne up to close.

WAYNE: Thank you, Vice Chair, Vice Chair Hunt. So Senator Lowe, you asked a great question. Why hasn't it been done? I do think NIFA has a role, particularly in the issue of debt and bonding, but the reason it hasn't been done is we don't-- we can't hold them accountable. And by having a direct-- what I would say a direct agency under the Governor, not only is the Governor accountable, but oftentimes those-- we see it in Game and Parks, we see in other agencies where we introduce bills to force something to be done. Right now, it is scattered and I don't fault DED for their approach. When we put in the Rural Workforce Housing Grant Program three, four years ago-- three years ago, their job was to look at a grant application and sign off on it, but there's no coordination across the state of what we're doing. For example, if DED knows that there is a major meatpacking plant that's going to go into North Platte, say, there's nobody at the state department who's going to [INAUDIBLE] it up to make sure there-- there's local housing, that there's everything needed to make that successful, a successful project. But we know from industry when you talk to DED or you talk to companies, housing is one of their biggest concerns or why they can't

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recruit people. So we're just trying to coordinate it. And I don't know if it's a bigger division under DED. I don't know if it's its own separate division, but right now, it's not working. It's just not or else wouldn't be where we're what now-- six years we've talked about affordable housing and we're not making a dent in it. So this is an idea that-- to have a bigger conversation. I will tell you to create an agency in our constitution, it takes 30 votes. So I'm already got an uphill battle of getting it done. But I do think at the state level, we have to have some kind of coordination on what we're doing because we are spending significant dollars on affordable housing, but I don't know if it's making a dent in it. And at least way, underneath this jurisdiction, that agency would come back to Urban Affairs like Game and Parks goes to Natural Resources and we can hold them accountable for what they're doing or not doing. And with that, I'll answer any questions.

HUNT: Thank you, Chairman Wayne. Any questions? Senator Briese.

BRIESE: Thank you, Chairman Hunt. Thank you, Senator Wayne. So I heard one testifier say that there's a need for more collaboration, more coordination, and more reduction in overlap. It's your position that putting this all under the umbrella of this new HUD can help achieve those goals, right?

WAYNE: Absolutely. So right now, the Department of Environment and Energy has a program for-- basically, it helps to reduce loan costs or low loans for solar, wind, those kind of-- solar, solar panels upgrades. You would think if we're doing affordable housing, those two agencies would be talking to see if they can coordinate some of that and they don't because that's not their goal.

BRIESE: OK, thank you.

HUNT: Any other questions? Seeing none, thank you, Senator Wayne.

WAYNE: Thank you. Consent calendar.

HUNT: Next up, we have LB789 from Senator Groene.

WAYNE: OK. OK. Welcome to Urban Affairs, Senator Groene.

GROENE: Thank you, Chairman Wayne and members of the committee. I brought this bill at the request of concerns of some of the-- my city and word from a few others about the same size. You all know we have six or eight cities of about the same size, the 25,000 or 20,000 to 35,000 size. LB789 exempts cities under 50,000 inhabitants from the

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Affordable Housing Action Plan as to, as to the semiannual reporting and mandate for developing affordable housing action plans. Smaller communities do not have the staff to create such plans and must hire a cost consultant to do so. Due to the economics of size and housing needs being very fluid in small, smaller communities, action plans can stymie workforce housing investments. LB789 also lowers the population threshold for being able to apply for grants under the Middle Income Workforce Housing Investment Act. The current threshold of over 100,000 inhabitants of a county is lowered to counties with a population of over 50,000 inhabitants. You might have read this letter from my mayor. City in North Platte could probably fit eight or ten of our area into Lincoln; Omaha, probably 20 of that area. Our areas are more compact. There's not such a distance between types of housing in the area. There's no place to hide or to isolate people. So we are very, very well mixed housing already and we are struggling to create workforce housing for all levels of income because investors don't want to come there. They want the bigger projects. They want to come in, the corporations do 30 and 50 houses where we, we-- town our size doesn't do that. So any impediment put in their way to come in and build 10, 15, 20 units, if we're lucky, for workforce housing, which will happen with the-- we have investors looking at if the packing plant is, is created. And the other thing in our market and a lot of markets is workforce housing, a lot of times, is the, is the American dream where somebody had a starter home and their incomes have increased and they want to build a newer home, thus providing their old home for the, for the lower-income workforce housing younger couple. It already happens. Our problem is that newer home. So that middle-class individual who now decides to buy a nicer, newer home, nobody's willing to build. So we have an impediment there that when you start putting more regulations on that builder, it doesn't improve their profit line because right now in North Platte, we have a "DevCo" shot-in-the-arm program out of our LB840 money. We give bonuses, pretty good chunks of money, \$8,000 a house, to anybody willing to build workforce housing. The micro TIF is, is coming in and helping individuals create-- improve lower-income housing. So-- but that's already in existing areas. So anyway, our point is that this is-- I believe my city came in and you guys were impressed with their report. We do things right, but it took an awful lot of time. We're already doing this, midsize towns are, it's just a burden to them to have to have a plan and then tell a developer you got to do this, you got to do this. And the developer says, I can't do that. I'm barely going to be able to build 20 houses, all box houses of 1,500 square feet. And then you telling me I have to build an apartment over here, a low-income apartment on this corner of this 20 acres? It doesn't work.

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So that's, that's it. I-- and I brought that-- and the other thing was I didn't think it was fair to Grand Island or-- that you make them have the same requirement of the reporting of any city over 50,000, but, but they live in a county-- have a county that's less than 100,000 so they weren't able to get-- take advantage of the Workforce Housing Investment Act. So basically, I changed it to any county over 50,000. All that does is move Grand Island into the, into the ability to apply for those, those grants too. Buffalo County has moved over 50,000 now, just did. That's-- so we have another county, a fifth county that's over 50,000 and-- but they would be under the city of 50,000, so it wouldn't apply. Anyway, you-- read my mayor's letter. It's we'll do what you make us do, but we're going to cost \$20,000 or \$30,000 by hire somebody to draw us up a plan. And we don't have somebody just sitting there wait-- we have a planning office. All that individual does is try to keep up with the people bringing in building permits and helping with the planning committee and the zoning committee. That doesn't-- she just doesn't have time to be making a, a plan. So we're not trying to shirk. We all live together in North Platte. We don't care who lives next to us, so-- at least most of us don't. Every town has somebody. But anyway, that, that's, that's the only reason I'm doing it. I'm trying to get rid of some-- I'm a free-market guy, as I heard somebody say, and less regulations, less regulations are good for the free market, so thank you.

WAYNE: Real quick, we have one regulation. I need you to spell your name for the record.

GROENE: Oh, that's right. M-i-k-e, Groene, G-r-o-e-n-e.

WAYNE: Any questions for--

GROENE: Almost on your seventh year, give me a break.

WAYNE: Any questions from the committee? I have one. So underneath this bill-- I'm all in favor of you-- Grand Island and Kearney considering themselves to be urban and they can apply all the same urban that they want. But underneath your bill, they would be able to double-dip both urban and rural, won't they?

GROENE: Not Grand Island.

WAYNE: I think--

GROENE: Kearney--

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WAYNE: --so if we were an amendment, an amendment saying you can only go after one, would you still want to be urban or would you want to be rural?

GROENE: We don't want either because we're not over 50,000 population. I mean Grand Island is urban if you've ever been there. With the, with--

WAYNE: I agree.

GROENE: --the population demographics, they are urban-- and the job base. But Kearney wouldn't apply. Wouldn't-- they wouldn't be able to go after because they're not over 50,000 as a city. They wouldn't have to make-- they wouldn't have to do the plan, but they couldn't apply for the, for the grant, I don't believe, because they didn't have the plan. I don't know.

WAYNE: All right, we'll look at it.

GROENE: I didn't even-- I just found out this morning that Kearney, this last census, just went over it, Buffalo County did, so the bill was written before I knew.

WAYNE: That's all right. That's why we have amendments. Any question from the committee? Seeing none, thank you for being here.

GROENE: Thank you for listening attentively.

WAYNE: Any-- first, we'll have proponents. Any proponents? Any opponents? Opponents? Welcome to Urban Affairs.

TODD STUBBENDIECK: Thank you. Chair Wayne and members of the Urban Affairs Committee, my name is Todd Stubbendieck, that's T-o-d-d S-t-u-b-b-e-n-d-i-e-c-k, and I'm the state director of AARP Nebraska. AARP Nebraska was pleased to support passage of the Municipal Density and Missing Middle Housing Act because we believe it's an important step to creating greater housing diversity and addressing the housing needs of older Nebraskans. According to AARP's 2018 Home and Community Preferences Survey, nearly 80 percent of adults age 50 and older want to remain in their communities and in their homes as they age. To do this, they need a range of housing options that accommodate their needs, including homes that are structurally and mechanically safe and accommodate individuals with disabilities. In response to the Municipal Density and Missing Middle Housing Act, AARP Nebraska has been working to try to support the 11 communities impacted by the legislation. This included partnering with the Metropolitan Area

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Planning Agency, the League of Municipalities, and the Nebraska Investment Finance Authority to sponsor a webinar in December of 2020 with Dan Parolek, who is from Opticos Design, originally from Columbus, Nebraska, and who first coined the term missing middle housing. The goal of the webinar was to introduce the concept of missing middle housing to these communities and discuss the potential benefits of missing middle housing. In addition, last October, AARP Nebraska hosted a webinar with experts from Echo Northwest entitled "Housing Action Plans Best Practices." This webinar focused on the planning officials from the 11 communities required to develop housing action plans under the Municipal, Municipal Density and Missing Middle Housing Act and other stakeholders. Again, our goal in this was to provide these planning of professionals who will be tasked with developing these housing action plans with practical technical assistance and information about the process and benefits of developing housing action plans. Housing action planning is designed to help a community begin a conversation about addressing its long-term housing needs and for setting appropriate and achievable housing goals. During this committee's hearings last summer on LR69, I was struck by two common themes from the communities that testified. They're all facing huge challenges when it comes to housing and they are concerned that the lack of housing could jeopardize their economic development goals. One city planner at the Omaha field hearing said that the Municipal Density and Missing Rental Housing Act requirements were important because they would start the conversation about housing within their community. AARP of Nebraska is opposed to LB789 because it would eliminate the requirement for communities with populations between 20,000 and 50,000 people to complete a housing action plan. Rather than cutting the number of communities required to complete housing action plans, we should be looking for ways to encourage more communities to have these discussions and to develop housing plans that will help them meet their development goals in their communities. I commend the members of this committee for your ongoing efforts to promote diverse, affordable housing options and AARP of Nebraska encourages you to oppose LB789.

WAYNE: Thank you for your testimony. Any questions from the committee? I do appreciate the information you always provide us. Thank you.

TODD STUBBENDIECK: Thank you.

WAYNE: Any other opponents? Anybody testifying in the neutral? Welcome to your Urban Affairs Committee.

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CHRISTY ABRAHAM: Thank you, Senator Wayne and members of the Urban Affairs Committee. My name is Christy Abraham, C-h-r-i-s-t-y A-b-r-a-h-a-m. I'm here representing the League of Nebraska Municipalities. We are here today in a neutral capacity. We certainly appreciate that North Platte and other communities may support this legislation. The league worked, I feel, very diligently and in good faith with Senator Wayne and Senator Hansen to broker a compromise on LB866, which was a bill that came through this committee in 2020. And that is the bill that put in, into place the provisions that are in the Municipal Density and Missing Middle Housing Act. Because we negotiated that agreement in good faith with this committee and Senator Wayne and Senator Hansen, we don't feel at this point we can go back on that agreement that we made and undo those provisions of that bill. But again, we certainly appreciate that there are municipalities out there that may be in favor of the provisions of this bill. So I'm happy to answer any questions you might have.

WAYNE: Thank you. Any questions from the committee? What she really means is once we're gone, they're going to come back and do it. I'm just kidding.

CHRISTY ABRAHAM: I don't believe that's what I said, Senator Wayne.

WAYNE: No, I appreciate it.

CHRISTY ABRAHAM: Trevor will still be here, trust me.

WAYNE: Any questions from the committee? Seeing none, thank you for being here today.

CHRISTY ABRAHAM: Thank you, Senator.

WAYNE: Any other person testifying in the neutral capacity? Seeing none, Senator Groene, you're welcome to close.

GROENE: Well, there went the consent calendar, but another good reason why I'm not an AARP member. But anyway, I'm going to read a paragraph from my mayor. He summed it up pretty well. Rural areas experience development and population growth differently than metropolitan communities. For example, in North Platte, we are enjoying some success with economic development. However, we have been largely stagnant for the past two decades. No amount of housing planning would have changed the economic development situation in the last 20 years. The factors that have moved our community off baseline are necessary-- necessity, community dedication, and just little leadership. While most would agree the elements of LB866 of '20 that allow developers

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less restrictive opportunities for development are helpful, in rural areas, our chances for significant housing development are highly correlated to economic growth. Communities that are not growing will not benefit from a housing plan report every two years. In fact, the requirement to provide such a report will eventually cause some communities to spend unnecessary time or taxpayers' dollars for fulfilling an "inconsensual" state requirement. I can-- we understand Bellevue. We understand Kearney. We understand some of these areas. Maybe Kearney can do it voluntarily. Remember, you can do it voluntarily yet. We're just trying to get a house built. We're just trying to get some, some real estate built, as I said earlier, so somebody can move up in the world to a newer home and free up some older housing for the new workforce. That's what we're trying to do. I spoke to my last mayor and my city managers. Nobody invited them into the room when the, when the league decided to throw about eight cities under the bus in a compromise. We weren't invited. If they were, if they were notified that-- the deal was their town under, which is 600, 700 towns, were going to get relieved the responsibility, the seven or six or seven or eight of us were going to be caught up into the-- into plans that fit better in urban areas. And this, this whole planning fits in an urban area better. As I said, our square-mileage area of the city doesn't add to the fact that somebody is going to try to isolate people and-- or keep them from moving to town. We want people to move to town because we need to fill some jobs. We need to fill some meatpacking, starter jobs, and anchor jobs and we're going to make sure that happens. They had one developer coming in, talking about \$200,000-or-less houses because he knows that fits the market of \$50,000 wage at the packing plant, maybe \$70,000 with a two-family income. So anyway, that's, that's all I brought it for, to point that out that sometimes the people in suits can sit around and plan all they want and go to many conventions as they want, but the carpenter needs to pound nails and he needs to make money when he builds those houses. So thank you.

WAYNE: Thank you. Any questions from the committee? Seeing none, thank you for being here. And we have one letter of support from city of North Platte and then two letters of opposition from the Platte Institute and Collective Impact of Lincoln. And that closes the hearing on LB789.

HUNT: Next up, we have LB998, introduced by Senator Wayne.

WAYNE: Good afternoon, Vice Chairman Hunt and members of the Urban Affairs Committee. My name is Justin Wayne, J-u-s-t-i-n W-a-y-n-e, and I represent Legislative District 13, which is north Omaha and

northeast Douglas County. I want to remind this committee that inland ports started, started out just about the same as the Department of Housing did the first hearing we had. Nobody-- a lot of people didn't show up and they thought it was-- it sounds like a crazy idea. A couple of years later, we actually passed a bill and we passed this bill, LB156, which adopted the Municipal Inland Port Authority Act a couple of years ago-- a year ago, actually a year ago. Under the act, the cities of the metropolitan class, cities of the primary class, cities of the first class, and counties with a population over 20,000 are eligible to create an inland port authority in eligible areas within their corporate boundaries, ETJ, or both city or within the county of a-- county in case of a county. LB156 included a cap of five land-- inland ports districts statewide, which had to be approved by Department of DED. Since the passage of LB156, a number of issues has arisen about the mechanics of the bill that both the department and the cities and the economic development groups look to establish within this cleanup bill. It's designated as a cleanup bill, but as we started doing it, we thought it was a little bit more than a cleanup bill and so we haven't characterized it as a cleanup bill since that, but it doesn't make any real policy changes from an overall standpoint. First, while several communities moved forward fairly aggressively to apply for the port authority designation, in some areas, despite economic groups and landlords wishing to seek the designation, there has been a reluctance or hesitation that we saw by a couple of cities and a couple of counties to apply. In LB998, this provides a mechanism for a nonprofit economic development corporation to apply directly to DED for the designation if the city or county has not taken steps to create one. If DED approves the port authority application from the nonprofit economic development corporation, then the city or county, which is-- whichever is applicable, would be required to create a port authority and corresponding port district. Second, several political-- several, several groups looking to create a port authority have had a problem locating an eligible area of significant size in a single location. Under the act, the inland port must designate greater than 300 acres within a certain distance of at least two forms of existing transportation infrastructure. In some cases, an area can meet the infrastructure and location requirement, but the site of 300 acres cannot be found. LB998 would allow up to 25 percent of that area designated as an inland port to be noncontiguous with the remaining portions of the district. Third, the Department of Economic Development felt like the language in LB156 did not give sufficient flexibility to the department to evaluate and rank port authority applications in the event that there were more than five. LB998 provides clear-- clearer language authorizing DED to establish

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prioritization criteria for the proposed port authority designation. Fourth, multiple groups have been reading the act to require that real property, all real property located within the boundary of the inland port must either be owned by the port authority or by the city or county. It was never the intent of the bill last year to require a property in the port designation to be government owned. In fact, during the debate of LB156, I believe we stated that property in the port district could be privately owned. LB998 clarifies that real property within the port district does not have to be publicly owned. Finally, with the possible-- the possibility of additional dollars appropriated this year to through the Site and Building Fund, LB998 provides authority for the port authority to grant to any businesses located within the boundaries of the inland port. After discussions with legal counsel, I believe that, as written, the language could inadvertently violate Article VIII, Section 3 of the state constitution, which prohibits lending to-- of the, of the credit of the state. So what I passed out was AM1939, which would strike the language regarding any lending. Several members behind me will be able to testify and answer any questions at this time. But with that, I will, I will answer any questions.

HUNT: Thank you, Chairman Wayne. Are there any questions from the committee? Seeing none--

WAYNE: I just want to say briefly these concerns were from everywhere, from Sidney to Omaha to Seward to Fremont to-- all over the state and so we put this together and communicated with all of them and this is what they all agreed on would work for all those communities.

HUNT: Senator Arch.

ARCH: That immediately triggered-- that triggered a couple of questions.

WAYNE: Yeah.

ARCH: So, so it sounds like several communities, many, many communities--

WAYNE: Yes.

ARCH: --have, have embraced this.

WAYNE: Yes, so Fremont has actually already kind of publicly announced that they've-- they're applying for the inland port. They're waiting on the regs. DED is waiting on this bill, mainly because of the

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concern of more than five applying and they've got to go first come, first served instead of looking at an overall economic picture. So that-- so there are-- and the other issue, quite frankly, was Sidney. There is a company out there who already has a federal port designation for their private property and they were reading it very strictly to say that it could be publicly owned and that wasn't the intent so they also need this bill in order to move forward.

ARCH: Thank you.

HUNT: Thank you, Senator Arch. Thanks for your introduction. Any other questions? Oh, Senator Briese.

BRIESE: I was just going to ask how many have been created so far?

WAYNE: None have actually been created. At the local level, the farthest along are Sidney, Fremont-- or the furthest along where their city council had public discussions about moving forward. But it takes a requirement of resolution to be adopted. I think Fremont already adopted theirs, but Sidney was waiting upon the clarification of-- that particular company didn't want to lose other property to the, to the entity, so.

BRIESE: All right, thanks.

HUNT: Any other questions? Seeing none, thanks, Senator Wayne. First proponent for LB998. Welcome.

MARK NORMAN: Good afternoon, Vice Chair Hunt and members of the committee. I am Mark Norman, M-a-r-k N-o-r-m-a-n, and I'm the senior director of business attraction and expansion for the Greater Omaha Economic Development Partnership and I'm here to support LB998, the-- to-- legislation to amend Nebraska's municipal port authority statute. So thank you for the opportunity to speak with you today. The Omaha Chamber was among those who worked alongside Senator Wayne to formulate the port authority legislation in the years coming up to its enactment in 2021. Senator mentioned LB156. We found that entities such as a port authority can provide the means for developing large sites for expansion of existing business and also the attraction of new investment and employment opportunities, particularly those needing multimodal transportation options. We thank Senator Wayne for his work with port authorities and developing the proposed changes in LB998. Through the Omaha partnership's work across our six counties, our territory that we cover in Nebraska, we understand that different communities face different needs and situations when implementing and

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undertaking such as a port authority and that the types of projects being envisioned by a port authority might be unique. So some flexibility would be helpful as communities utilize this program to fit their needs and circumstances. I believe the changes proposed in this bill help clarify the original intent of the port authority statute and make some positive modifications. Flexibility would include utilizing a nonprofit with economic development experience and expertise to help create the port authority, allowing the inclusion of noncontiguous tracks and clarification that a property owner-- that property not owned by a city or a county can still be included in a port authority district. And as Senator Wayne mentioned, it would also prevent the race to five, which currently many people interpreted the first five to pass will get, which will allow some strategic placing of the properties. Over the years, we have found that providing flexibility for contingencies that arise to community to community and projects to projects increase the likelihood of landing being big projects that make all the difference in local and state economic development. As I mentioned last year testifying on LB156, a series of multimodal port authority logistics hubs across the state would not only drive economic expansion, but also could help address the supply chain issues that have dominated the news over the last couple of years. Establishing, establishing such a network will require some flexibility. And to follow up with the Fremont/Dodge County, they have passed an interlocal agreement between the city and the county. Their intent is to go ahead and forward that to the State Department of Economic Development so that when the applications do become available, they will be ready to implement that. They are very excited about the, about the process and looking forward to it. They have talked with a lot of the property owners in the area and the intent is most of these property owners, if not all of them, are privately held at the moment, but looking to try to get an MOU for potential option on those as we moved forward. So they have made great progress in, in that pursuit of the port authority. That's all I have, so thank you for the opportunity. Happy to answer any questions that you have. And again, we're in full support of the bill.

HUNT: Thank you for your testimony. Any questions from the committee? Seeing none, thank you.

MARK NORMAN: Thank you.

HUNT: Next proponent for LB998. Any other proponents? Seeing none, any opponents to LB998? Seeing none, anybody neutral? Seeing none, Senator Wayne, you're invited to close. He waives closing. We have one letter

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of support for LB998 from Rocky Weber of the Nebraska Cooperative Council. And next, we'll move on to LB837 from me.

WAYNE: Welcome to your Urban Affairs Committee.

HUNT: Good afternoon, colleagues. My name is Senator Megan Hunt, M-e-g-a-n H-u-n-t, and I'm here to introduce LB837, which would require energy code updates be-- reports sent to the Legislature. Federal law requires that whenever there's an update to the International Energy Conservation Code or the IECC, each state must review the provisions of its state building energy codes and make a determination as to whether it's appropriate to revise such code to meet or exceed the revised version of the IECC within two years. Currently, when these reviews and determinations happen, the Legislature doesn't hear anything about it. This bill would require that whenever the Nebraska Department of Environment and Energy conducts this review, the Chairperson of the Urban Affairs Committee is notified of the outcome of that review. This would include whether or not the Nebraska Energy Code needs to be revised to meet or exceed the newest IECC. This bill was suggested to me by Urban Affairs legal counsel and will help streamline any work that we need to do to keep Nebraska law consistent with international standards. Thank you very much.

WAYNE: Any questions from the committee? Seeing none, any proponents? Any proponents? Any opponents? Any opponents? Anybody testifying in the neutral capacity? Seeing none, Senator-- Senator Hunt waives closing. There is a letter of support by John David Holtzclaw and Jim Macy with the Nebraska Department of Environment and Energy is neutral. Jim Macy is neutral. Thank you, Jim Macy, for being neutral.

HUNT: Next, I'll invite Chairman Wayne to open on LB1227.

WAYNE: Good afternoon, Vice Chairwoman Hunt and members of the Urban Affairs Committee. My name is Justin Wayne, J-u-s-t-i-n W-a-y-n-e, and I represent Legislative District 13, which is north Omaha and northeast Douglas County. With the passage of the American Rescue Plan Act, ARPA, there have been a lot of questions about potential uses for ARPA funds and whether their particular activity is eligible or not issued by-- in guidance issued by the U.S. Department of Treasury. One such question was clearly answered-- Department of Treasury as it issued a final rule in January that addresses vacant and abandoned properties that are eligible for ARPA funds. For example, ARPA funds could be used for the demolition, demolition of vacant buildings and, and rehab of buildings, but as it relates to demolition of homes, it

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cannot reduce the overall housing stock, just FYI. One organization that has done significant work in addressing vacant and abandoned properties in Omaha is the Omaha Municipal Land Bank. Just before the bill introduction deadline, my staff discovered that the current language may not be sufficient for the land bank to receive federal funds by either the state or the city of Omaha. LB1227 would simply clarify the language that allow-- that would allow them to receive ARPA funds. The language on the green copy limits the ARPA funds by the land bank to demolition of buildings, but there are eligible uses outside of that. So the committee members should have received AM1886, which will strike limitation of to just demolition to overall. I removed that limitation. There probably will be a representative of the land bank here to answer any questions, but this was really brought on behalf of multiple people who just wanted to make sure that we don't limit some organizations who are doing affordable housing work through ARPA. That's all I got.

HUNT: Thank you, Chairman Wayne. Any questions? Senator Arch.

ARCH: Thank you. I'm assuming this ties somehow to a request in appropriations?

WAYNE: Nothing.

ARCH: Oh, OK.

WAYNE: We were just-- so when the city of Omaha announced their \$20 million to \$20 million and working with nonprofits, we were literally, on day ten, looking through stuff and legal counsel said, I don't know if they can receive federal funds the way it's currently written and so it was just a placeholder to make sure they could.

ARCH: OK, thank you.

HUNT: Thank you, Senator Arch and Chairman Arch, depending on where you are. Any other questions? Seeing none, thank you, Senator Wayne. First proponent for LB1227. Welcome.

SHANNON SNOW: Hi. I am Shannon Snow, S-h-a-n-n-o-n S-n-o-w, executive director of the Omaha Municipal Land Bank. Vice Chair Hunt and members of their Urban Affairs Committee, thank you for the opportunity to testify in support of LB1227 as it has been amended. A couple of weeks ago, I testified in support of LB1024. During that testimony, I stated the land bank's commitment to building generational wealth in historically redlined communities. I have provided a copy of that testimony for your reference. Senator Wayne, thank you for your

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commitment to north Omaha and your consideration of the land bank as a tool for achieving successful reinvestment in distressed neighborhoods. I believe that our unique role in ensuring that distressed properties can be put back into productive reuse is critical in ensuring successful revitalization while encouraging generational wealth creation. I am not alone in this belief. In November 2021, the National Land Bank Network was formed and I was honored to serve on the steering committee during its creation. Throughout that process, I heard from land bank leaders nationally facing some of the same struggles that we deal with daily; vacant and dilapidated properties with significant challenges that need to be addressed before they can be returned to the community. A single property can require \$20,000 to \$50,000 in work to make it feasible for redevelopment. This work includes clearing trees, replating, rough grading, and more, leading to having a site that would be considered buildable for the buyer. During these calls, I also learned that land banks are underfunded nationally. The National Land Bank Network recognizes these challenges and has been working to ensure that land banks are considered as eligible applicants in federal funding. In addition to ARPA, Congressman Dan Kildee of Michigan previously introduced the NLBN Act or the National Land Bank Network Act. This act would provide technical assistance to land banks. It is expected that this bill is going to be reintroduced. The Restoring Communities Left Behind Act provide grant-- provides grants to support projects and land banks are explicitly eligible as recipients. Finally, Congressman Kildee has introduced the TAA for Communities Act. This bill provides federal support for communities that have suffered chronic economic hardship and job loss due to trade-related events. The passing of LB1227 as amended to include the receipt of local, state, and federal funding by all Nebraska land banks would ensure not only that the Omaha land bank can accept ARPA funding, but also that land banks across Nebraska can work with other state and local agencies to maximize the amount of money Nebraska communities are able to receive as a result of these federal efforts. So that's all I have. Any questions?

HUNT: Thank you, Ms. Snow. Any questions from the committee? Thank you for the information.

SHANNON SNOW: Thanks.

HUNT: Next proponent for LB1227. Come on up. Welcome.

DEANA WALOCHA: Thank you. That's great. Good afternoon. My name is Deana Walocha, D-e-a-n-a W-a-l-o-c-h-a, and I am in-house counsel with

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the Omaha Municipal Land Bank. Vice Chair Hunt and members of the Urban Affairs Committee, thank you for the opportunity to testify in support of LB1227 as it has been amended. We are grateful to Senator Wayne for his leadership and vision for neighborhood revitalization in north Omaha, of which LB1227 is a part. While we believe that land bank is able to accept federal funds such as those provided in the ARPA plan, our state statute in its current form is silent on the matter. LB1227 ensures that the Omaha land bank can continue to serve as a community partner in efforts to revitalize America-- Omaha neighborhoods. We work with a variety of partners, including the city of Omaha, Seventy Five North, Habitat for Humanity, NIFA, Family Housing, Housing Advisory Services, Holy Name Housing, the Empowerment Network, and countless others to ensure that our properties are available and accessible for redevelopment. I have provided you with our 2020 Annual Report, which includes quotes from some of these partners related to how the land bank supports their work, along with a few examples of transformed properties. As originally written, LB1227 specifies the use of ARPA money for demolition. Through our work with key partners, we know that a home is more likely to be renovated to affordable housing if we can acquire the property while the structure is still standing. The costs are lower and these properties are more desirable for developers. However, many of these properties have back taxes or code violations that would require land bank intervention to be viable for rehabilitation. We support the amendment that strikes this language. We ask that the Urban Affairs Committee consider an amendment to LB1227 to allow the land bank to accept local, state, and federal funds, not solely ARPA funds, to provide future clarity to the act. While ARPA funding provides a once-in-a-lifetime opportunity for Nebraska, we know that the work of the Omaha land bank will continue after ARPA funding ends. With the amendment we are proposing, LB1227 ensure that the Omaha land bank is able to continue to build strong partnerships in the neighborhoods we are here to serve. Thank you for your time and I am happy to answer any questions you may have.

HUNT: Thank you so much. Any questions from the committee? Seeing none, thanks for being here today.

DEANA WALOCHA: Thank you.

HUNT: Any other proponents for LB1227? Welcome.

CHRISTY ABRAHAM: Thank you, Senator Hunt, and members of the Urban Affairs Committee. My name is Christy Abraham, C-h-r-i-s-t-y A-b-r-a-h-a-m, representing the League of Nebraska Municipalities. We

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want to thank Senator Wayne for introducing this bill. And I guess I just want to come to this committee with some good news. As you know, this committee worked hard to get the land bank bill passed and allow more communities to have it other than Omaha. Omaha is a shining example of a wonderful land bank, but I did want to tell you that there are several land banks in process across the state. Scottsbluff/Gering is very, very close to implementing a land bank. The McCook area is very, very close to implementing a land bank. Norfolk, Loup City, Falls City, all of these communities are working very, very hard to get their land bank up and running or to have a session at our conference this month about it. It's really exciting that the land bank really has taken off, that communities are really excited about this and are doing it. The reason that this bill may be very instrumental is that funding is a huge issue for these land banks. They are struggling with coming up with all of the funds that they really need to start their land bank. They're going to have private donations. Municipalities are going to obviously contribute as well. But if we could add in some of the ARPA dollars, I really think that's going to be a jumpstart for a lot of these municipalities and these land banks across the state. So we're very excited about land banks in Nebraska and we think that this is really going to be a key component to sort of get them started, so we're in strong support of this bill. So thank you, Senator Wayne.

HUNT: Thank you, Ms. Abraham. Any questions? Seeing none, sounds like we get the picture.

CHRISTY ABRAHAM: Great. Thanks so much.

HUNT: Thank you. Any other proponents for LB1227? Seeing none, anyone here in opposition? Seeing none, anyone neutral? Seeing none, Senator Wayne, you're invited to close. He waives closing. We have two letters for the record in support from Wayne Mortensen and Korby Gilbertson representing our Nebraska realtors, both of those in support. And with that, I'll close the hearing on LB1227 and today's hearings.