

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2018-19</b>		<b>FY 2019-20</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB 846 amends the Community Development Law, Sections 18-2116 and 18-2142.01.

Section 18-2116 is amended to insert new language regarding the approval of a redevelopment plan to require that the finding that such a project would not be economically feasible or occur in the community redevelopment area without the use of tax-increment financing be supported by clear and convincing evidence, documented in writing, and supported by at least two affidavits from experts in the field of public finance.

Section 18-2142.01 is amended to insert new language that in any suit, action, or proceeding involving the validity or enforceability of a redevelopment project agreement that uses tax-increment financing, the agreement is only valid if the city, village, or authority proves by clear and convincing evidence that the project is not economically feasible or would not occur in the redevelopment area without the use of tax-increment financing.

There is no cost to the state as a result of the provisions of LB 846.

IMPACT TO POLITICAL SUBDIVISIONS:

The city of Lincoln indicates an unknown fiscal impact. There would be additional cost associated with obtaining affidavits from public finance experts but those costs may be able to be passed on to the developer as part of the overall cost of the development.

The city of Omaha indicates a cost of \$40,000 for obtaining the affidavits from public finance experts. They would seek to have the costs reimbursed, if possible.

We have no basis to disagree with either the city of Lincoln or Omaha.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
<b>LB: 846</b>	<b>AM:</b>	<b>AGENCY/POLT. SUB: City of Omaha</b>	
REVIEWED BY: Joe Wilcox	DATE: 01/16/2018	PHONE: <a href="tel:4024714178">(402) 471-4178</a>	
COMMENTS: No basis to dispute the City of Omaha estimate of potential fiscal impact to the City from LB 846.			



Please complete ALL (5) blanks in the first three lines.

**2018**

**LB<sup>(1)</sup> 846**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> City of Lincoln

Prepared by: <sup>(3)</sup> Brandon Kauffman

Date Prepared: <sup>(4)</sup> 1/10/18

Phone: <sup>(5)</sup> 402-441-7412

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2018-19</u>		<u>FY 2019-20</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

Fiscal impact unknown. LB846 would require the City to attain affidavits from experts in the field of public finance. This would cause additional costs to the development, however those costs may be able to be passed through to the developer as an overall costs of the development.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19 EXPENDITURES</u>	<u>2019-20 EXPENDITURES</u>
	<u>18-19</u>	<u>19-20</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____