

AMENDMENTS TO LB1059

Introduced by Urban Affairs.

1 1. Strike the original sections and insert the following new
2 sections:

3 Section 1. Section 18-2119, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 18-2119 (1) An authority shall, by public notice by publication once
6 each week for two consecutive weeks in a legal newspaper having a general
7 circulation in the city, prior to the consideration of any redevelopment
8 contract proposal relating to real estate owned or to be owned by the
9 authority, invite proposals from, and make available all pertinent
10 information to, private redevelopers or any persons interested in
11 undertaking the redevelopment of an area, or any part thereof, which the
12 governing body has declared to be in need of redevelopment. Such notice
13 shall identify the area, and shall state that such further information as
14 is available may be obtained at the office of the authority. The
15 authority shall consider all redevelopment proposals and the financial
16 and legal ability of the prospective redevelopers to carry out their
17 proposals and may negotiate with any redevelopers for proposals for the
18 purchase or lease of any real property in the redevelopment project area.
19 The authority may accept such redevelopment contract proposal as it deems
20 to be in the public interest and in furtherance of the purposes of the
21 Community Development Law if the authority has, not less than thirty days
22 prior thereto, notified the governing body in writing of its intention to
23 accept such redevelopment contract proposal. Thereafter, the authority
24 may execute such redevelopment contract in accordance with the provisions
25 of section 18-2118 and deliver deeds, leases, and other instruments and
26 take all steps necessary to effectuate such redevelopment contract. In
27 its discretion, the authority may, without regard to the foregoing

1 provisions of this section, dispose of real property in a redevelopment
2 project area to private redevelopers for redevelopment under such
3 reasonable competitive bidding procedures as it shall prescribe, subject
4 to the provisions of section 18-2118.

5 (2) In the case of any real estate owned by a redeveloper, the
6 authority may enter into a redevelopment contract providing for such
7 undertakings as the authority shall determine appropriate. Any such
8 redevelopment contract relating to real estate within an enhanced
9 employment area shall include a statement of the redeveloper's consent
10 with respect to the designation of the area as an enhanced employment
11 area, shall be recorded with respect to the real estate owned by the
12 redeveloper, and shall be binding upon all future owners of such real
13 estate.

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

18 (i) Whether the redeveloper has filed or intends to file an
19 application with the Department of Revenue to receive tax incentives
20 under the Nebraska Advantage Act for a project located or to be located
21 within the redevelopment project area;

22 (ii) Whether such application includes or will include, as one of
23 the tax incentives, a refund of the city's local option sales tax
24 revenue;

25 (iii) A good faith estimate of the total amount of tax incentives
26 the redeveloper expects to receive under the Nebraska Advantage Act for
27 any such application; and

28 (iv) Whether such application has been approved under the Nebraska
29 Advantage Act.

30 (b) The authority may consider the information provided under
31 subdivision (3)(a) of this section in determining whether to enter into

1 the redevelopment contract.

2 Sec. 2. Section 18-2701, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 18-2701 Sections 18-2701 to 18-2739 and sections 5, 6, and 8 of this
5 act shall be known and may be cited as the Local Option Municipal
6 Economic Development Act.

7 Sec. 3. Section 18-2703, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 18-2703 For purposes of the Local Option Municipal Economic
10 Development Act, the definitions found in sections 18-2703.01 to 18-2709
11 and section 5 of this act shall be used.

12 Sec. 4. Section 18-2705, Revised Statutes Supplement, 2015, is
13 amended to read:

14 18-2705 (1) Economic development program means any project or
15 program utilizing funds derived from local sources of revenue for the
16 purpose of providing direct or indirect financial assistance to a
17 qualifying business or the payment of related costs and expenses or both,
18 without regard to whether that business is identified at the time the
19 project or program is initiated or is to be determined by specified means
20 at some time in the future.

21 (2) An economic development program may include, but shall not be
22 limited to, the following activities: Direct loans or grants to
23 qualifying businesses for fixed assets or working capital or both; loan
24 guarantees for qualifying businesses; grants for public works
25 improvements which are essential to the location or expansion of, or the
26 provision of new services by, a qualifying business; grants or loans to
27 qualifying businesses for job training; the purchase of real estate,
28 options for such purchases, and the renewal or extension of such options;
29 grants or loans to qualifying businesses to provide relocation incentives
30 for new residents; the issuance of bonds as provided for in the Local
31 Option Municipal Economic Development Act; and payments for salaries and

1 support of city staff to implement the economic development program or
2 the contracting of such to an outside entity.

3 (3) For cities of the first and second class and villages, an
4 economic development program may also include grants or loans for the
5 construction or rehabilitation for sale or lease of housing for persons
6 of low or moderate income.

7 (4) For cities of the first and second class and villages, an
8 economic development program may also include grants, loans, or funds for
9 rural infrastructure development as defined in section 66-2102.

10 (5) For cities of the first and second class and villages, an
11 economic development program may also include grants or loans for the
12 construction or rehabilitation for sale or lease of housing as part of a
13 workforce housing plan.

14 (6 5) An economic development program may be conducted jointly by
15 two or more cities after the approval of the program by the voters of
16 each participating city.

17 Sec. 5. Workforce housing plan means a program to construct or
18 rehabilitate single-family housing or market rate multi-family housing
19 which is designed to address a housing shortage that impairs the ability
20 of the city to attract new businesses or impairs the ability of existing
21 businesses to recruit new employees.

22 Sec. 6. If the proposed economic development program involves the
23 making of grants or loans for the construction or rehabilitation for sale
24 or lease of housing as part of a workforce housing plan, the proposed
25 plan shall include:

26 (1) An assessment of current housing stock in the city, including
27 both single-family and market rate multi-family housing;

28 (2) Whether the plan will also include housing for persons of low or
29 moderate income under section 18-2710.01;

30 (3) Such other factors, as determined by the city, which are
31 particularly relevant in assessing the conditions faced by existing

1 businesses in recruiting new employees; and

2 (4) Such other factors, as determined by the city, which are
3 particularly relevant in assessing the conditions faced by persons
4 seeking new or rehabilitated housing in the city.

5 Sec. 7. Section 18-2714, Reissue Revised Statutes of Nebraska, is
6 amended to read:

7 18-2714 (1) After approval by the voters of an economic development
8 program, the governing body of the city shall, within forty-five days
9 after such approval, establish the economic development program by
10 ordinance in conformity with the terms of such program as set out in the
11 original enabling resolution.

12 (2) After the adoption of the ordinance establishing the economic
13 development program, such ordinance shall only be amended ~~(a) to conform~~
14 ~~to the provisions of any existing or future state or federal law or (b)~~
15 after the governing body of the city (a) gives notice of and holds τ at
16 least one public hearing on the proposed changes, (b) approves the
17 proposed changes by and a two-thirds vote of the members of such the
18 governing body, and (c) except as provided in subsection (3) of this
19 section, submits the proposed changes to a new vote of the registered
20 voters of the city in the manner provided in section 18-2713 of the city,
21 ~~when necessary to accomplish the purposes of the original enabling~~
22 ~~resolution.~~

23 (3) ~~A The governing body of a city shall not amend the economic~~
24 ~~development program so as to fundamentally alter its basic structure or~~
25 ~~goals, either with regard to the qualifying businesses that are eligible~~
26 ~~to participate, the local sources of revenue used to fund the program,~~
27 ~~the uses of the funds collected, or the basic terms set out in the~~
28 ~~original enabling resolution, without submitting the proposed changes to~~
29 ~~a new vote of the registered voters of the city~~ is not required for the
30 following types of amendments to an economic development program: in the
31 ~~manner provided for in section 18-2713.~~

1 (a) An amendment adding a type of qualifying business to those that
2 are eligible to participate in the economic development program or
3 removing a type of qualifying business from those that are eligible to
4 participate in such program if such addition or removal is recommended by
5 the citizen advisory review committee established under section 18-2715;

6 (b) An amendment making corrective changes to comply with the Local
7 Option Municipal Economic Development Act; or

8 (c) An amendment making corrective changes to comply with any other
9 existing or future state or federal law.

10 (4) The governing body of a city may, at any time after the adoption
11 of the ordinance establishing the economic development program, by a two-
12 thirds vote of the members of the governing body, repeal the ordinance in
13 its entirety and end the economic development program, subject only to
14 the provisions of any existing contracts relating to such program and the
15 rights of any third parties arising from those contracts. Prior to such
16 vote by the governing body, it shall publish notice of its intent to
17 consider the repeal and hold a public hearing on the issue. Any funds in
18 the custody of the city for such economic development program which are
19 not spent or committed at the time of the repeal and any funds to be
20 received in the future from the prior operation of the economic
21 development program shall be placed into the general fund of the city.

22 Sec. 8. (1) At the time that a qualifying business applies to a
23 city to participate in an economic development program, the qualifying
24 business shall certify the following to the city:

25 (a) Whether the qualifying business has filed or intends to file an
26 application with the Department of Revenue to receive tax incentives
27 under the Nebraska Advantage Act for the same project for which the
28 qualifying business is seeking financial assistance under the Local
29 Option Municipal Economic Development Act;

30 (b) Whether such application includes or will include, as one of the
31 tax incentives, a refund of the city's local option sales tax revenue;

1 (c) A good faith estimate of the total amount of tax incentives the
2 qualifying business expects to receive under the Nebraska Advantage Act
3 for any such application; and

4 (d) Whether such application has been approved under the Nebraska
5 Advantage Act.

6 (2) The city may consider the information provided under this
7 section in determining whether to provide financial assistance to the
8 qualifying business under the Local Option Municipal Economic Development
9 Act.

10 Sec. 9. If any section in this act or any part of any section is
11 declared invalid or unconstitutional, the declaration shall not affect
12 the validity or constitutionality of the remaining portions.

13 Sec. 10. Original sections 18-2119, 18-2701, 18-2703, and 18-2714,
14 Reissue Revised Statutes of Nebraska, and section 18-2705, Revised
15 Statutes Supplement, 2015, are repealed.