

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
FIRST SESSION

**LEGISLATIVE BILL 97**

FINAL READING

Introduced by Crawford, 45.

Read first time January 05, 2017

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to cities; to amend sections 19-4030 and  
2 19-4031, Revised Statutes Cumulative Supplement, 2016; to adopt the  
3 Riverfront Development District Act; to harmonize provisions; to  
4 provide a duty for the Revisor of Statutes; and to repeal the  
5 original sections.

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

1           Section 1. Sections 1 to 17 of this act shall be known and may be  
2 cited as the Riverfront Development District Act.

3           Sec. 2. The Legislature finds and declares as follows:

4           (1) Cities in the United States and throughout the world have been  
5 historically established along the banks of major rivers due to the role  
6 rivers played as early trade routes as well as other inherent strategic  
7 and economic benefits;

8           (2) As national, state, and local economies have changed over time,  
9 many cities have moved away from their historic riverfronts, resulting in  
10 abandonment and blight in many city cores;

11           (3) Many cities in this state that were established along the banks  
12 of Nebraska's rivers have grown away from their riverfronts, and these  
13 cities have riverfront areas in need of improvement and development but  
14 lack the tools and funding necessary to improve and develop such areas;  
15 and

16           (4) The purpose of the Riverfront Development District Act is to  
17 provide a means by which cities in this state may effectively fund,  
18 manage, promote, and develop riverfronts within their corporate limits.

19           Sec. 3. For purposes of the Riverfront Development District Act:

20           (1) Authority means a riverfront development authority established  
21 in accordance with section 5 of this act;

22           (2) City means a city of the metropolitan, primary, first, or second  
23 class;

24           (3) District means a riverfront development district established in  
25 accordance with section 4 of this act; and

26           (4) River means the Missouri River, Platte River, North Platte  
27 River, South Platte River, Republican River, Niobrara River, Loup River,  
28 North Loup River, Middle Loup River, South Loup River, Elkhorn River,  
29 North Fork of the Elkhorn River, or Big Blue River.

30           Sec. 4. (1) A city may create a riverfront development district by  
31 the adoption of an ordinance which specifies the following:

1       (a) The name of the river or rivers along which the district will be  
2 created;

3       (b) The boundaries of the district, a map of which shall be  
4 incorporated by reference in the ordinance;

5       (c) The qualifications and terms of office of members of the  
6 authority;

7       (d) A statement that the businesses and users of space in the  
8 district shall be subject to the general business occupation tax  
9 authorized by the Riverfront Development District Act or that the real  
10 property in the district shall be subject to the special assessment  
11 authorized by the act;

12       (e) The proposed method of assessment to be imposed within the  
13 district or the initial rate of the occupation tax to be imposed;

14       (f) Any penalties to be imposed for failure to pay the occupation  
15 tax or special assessment; and

16       (g) The maximum amount of bonds that may be issued by the authority  
17 pursuant to section 11 of this act.

18       (2) The ordinance shall recite that the method of raising revenue  
19 shall be fair and equitable. In the use of a general business occupation  
20 tax, the tax shall be based primarily on the square footage of the  
21 owner's and user's place of business. In the use of a special assessment,  
22 the assessment shall be based upon the special benefit to the property  
23 within the district.

24       (3) The boundaries of any district created under this section shall  
25 be wholly contained within the corporate limits of the city and shall not  
26 extend more than one-half mile from the edge of the river or rivers along  
27 which the district is created.

28       Sec. 5. (1) Following the creation of a district under section 4 of  
29 this act, the mayor, with the approval of the city council, shall appoint  
30 a riverfront development authority to oversee and manage the district.  
31 The authority shall consist of five or more members who collectively

1 shall have skills, expertise, and knowledge in residential, commercial,  
2 and mixed-use real estate development, financing, law, asset management,  
3 economic and community development, and tourism promotion.

4 (2) The members of the authority shall select annually from among  
5 themselves a chairperson, a vice-chairperson, a treasurer, and such other  
6 officers as the authority may determine.

7 (3) A public official or public employee shall be eligible to be a  
8 member of the authority.

9 (4) A vacancy on the authority shall be filled in the same manner as  
10 the original appointment.

11 (5) Members of the authority shall serve without compensation.

12 (6) The authority shall meet in regular session according to a  
13 schedule adopted by the authority and shall also meet in special session  
14 as convened by the chairperson or upon written notice signed by a  
15 majority of the members.

16 (7) Two or more cities which have a contiguous riverfront along the  
17 same river may enter into an agreement pursuant to the Interlocal  
18 Cooperation Act to create a single authority to jointly oversee and  
19 manage the districts created in such cities. An agreement entered into  
20 under this subsection shall contain the information required by section 4  
21 of this act.

22 (8) An authority which oversees and manages a district bordering  
23 another state may enter into an agreement pursuant to the Interlocal  
24 Cooperation Act with a political subdivision, public agency, or quasi-  
25 public agency in such other state to jointly oversee and manage the  
26 district and any similar district or districts in such other state.

27 (9) Each authority created pursuant to the Riverfront Development  
28 District Act shall be deemed to be a public corporation acting in a  
29 governmental capacity and a political subdivision of the state and shall  
30 have permanent and perpetual duration until terminated and dissolved in  
31 accordance with section 17 of this act.

1           Sec. 6. (1) Except as provided in subsection (2) of this section,  
2 an authority shall have the following powers:

3           (a) To adopt, amend, and repeal bylaws for the regulation of its  
4 affairs and the conduct of its business;

5           (b) To sue and be sued in its own name and plead and be impleaded in  
6 all civil actions;

7           (c) To procure insurance or guarantees from the state or federal  
8 government of the payments of any debts or parts thereof incurred by the  
9 authority and to pay premiums in connection therewith;

10           (d) To invest money of the authority in instruments, obligations,  
11 securities, or property determined proper by the authority and name and  
12 use depositories for its money;

13           (e) To enter into contracts and other instruments necessary,  
14 incidental, or convenient to the performance of its duties and the  
15 exercise of its powers, including, but not limited to, agreements under  
16 the Interlocal Cooperation Act for the joint exercise of powers under the  
17 Riverfront Development District Act;

18           (f) To create and implement plans for improvements and redevelopment  
19 within the boundaries of the district in conjunction with the city or  
20 other public or private entities;

21           (g) To develop, manage, and coordinate public activities and events  
22 taking place within the boundaries of the district;

23           (h) To acquire, construct, maintain, and operate public offstreet  
24 parking facilities for the benefit of the district;

25           (i) To improve any public place or facility within the boundaries of  
26 the district, including landscaping, physical improvements for decoration  
27 or security purposes, and plantings;

28           (j) To construct or install pedestrian shopping malls or plazas,  
29 sidewalks or moving sidewalks, parks, meeting and display facilities, bus  
30 stop shelters, lighting, benches or other seating furniture, sculptures,  
31 trash receptacles, shelters, fountains, skywalks, pedestrian and

1 vehicular overpasses and underpasses, and any other useful or necessary  
2 public improvements within the boundaries of the district;

3 (k) To construct, install, and maintain boardwalks, barges, docks,  
4 and wharves;

5 (l) To lease, acquire, construct, reconstruct, extend, maintain, or  
6 repair parking lots or parking garages, both above and below ground, or  
7 other facilities for the parking of vehicles within the boundaries of the  
8 district;

9 (m) To maintain, repair, and reconstruct any improvements or  
10 facilities authorized in the Riverfront Development District Act;

11 (n) To enforce parking regulations and the provision of security  
12 within the boundaries of the district;

13 (o) To employ such agents and employees, permanent or temporary, as  
14 necessary;

15 (p) To fix, charge, and collect fees and charges for services  
16 provided by the authority;

17 (q) To fix, charge, and collect rents and leasehold payments for the  
18 use of real property of the authority;

19 (r) To grant or acquire a license, easement, lease, as lessor or as  
20 lessee, or option with respect to real property of the authority;

21 (s) To make recommendations to the city as to the use of any  
22 occupation tax funds collected under section 12 of this act or any  
23 special assessment funds collected under section 13 of this act;

24 (t) To administer the use of occupation tax funds or special  
25 assessment funds if directed by the mayor and city council; and

26 (u) To do all other things necessary or convenient to achieve the  
27 objectives and purposes of the authority.

28 (2) The city creating an authority may, by ordinance, limit the  
29 powers that may be exercised by such authority.

30 Sec. 7. (1) An authority may acquire real property or interests in  
31 real property by gift, devise, transfer, exchange, foreclosure, purchase,

1 or otherwise on terms and conditions and in a manner the authority  
2 considers proper.

3 (2) An authority may accept transfers of real property or interests  
4 in real property from political subdivisions upon such terms and  
5 conditions as agreed to by the authority and the political subdivision.

6 (3) An authority may convey, exchange, sell, transfer, grant,  
7 release and demise, pledge, and hypothecate any and all interests in,  
8 upon, or to real property of the authority.

9 (4) An authority shall hold all property acquired in its own name  
10 and shall maintain all of its real property in accordance with the laws  
11 and ordinances of the jurisdiction in which the real property is located.

12 (5) An authority shall not own or hold real property located outside  
13 the boundaries of the district which it oversees and manages.

14 (6) An authority shall not rent or lease any of its real property  
15 for residential use.

16 Sec. 8. The real property owned by an authority and the authority's  
17 income and operations are exempt from all taxation by the state or any  
18 political subdivision thereof, except that purchases by an authority  
19 shall be subject to state and local sales and use taxes.

20 Sec. 9. (1) No member of an authority or employee of an authority  
21 shall acquire any interest, direct or indirect, in real property located  
22 within the boundaries of any district overseen and managed by the  
23 authority.

24 (2) No member of an authority or employee of an authority shall have  
25 any interest, direct or indirect, in any contract or proposed contract  
26 for materials or services to be furnished or used by the authority.

27 Sec. 10. An authority may receive funding through grants and loans  
28 from the city that created the authority, from other municipalities, from  
29 the state, from the federal government, and from other public and private  
30 sources.

31 Sec. 11. (1) An authority shall have the power to issue bonds for

1 any of its corporate purposes, the principal and interest of which are  
2 payable from its revenue generally. Any of such bonds shall be secured by  
3 a pledge of any revenue of the authority or by a mortgage of any property  
4 owned by the authority.

5 (2) The bonds issued by an authority are hereby declared to have all  
6 the qualities of negotiable instruments under the Uniform Commercial  
7 Code.

8 (3) The bonds of an authority and the income therefrom shall at all  
9 times be exempt from all taxes imposed by the state or any political  
10 subdivision thereof.

11 (4) Bonds issued by an authority shall be authorized by resolution  
12 of the authority and shall be limited obligations of the authority. The  
13 principal and interest, costs of issuance, and other costs incidental  
14 thereto shall be payable by any revenue of the authority or by the  
15 disposition of any assets of the authority. Any refunding bonds issued  
16 shall be payable from any source described in this subsection or from the  
17 investment of any of the proceeds of the refunding bonds and shall not  
18 constitute an indebtedness or pledge of the general credit of any city  
19 within the meaning of any constitutional or statutory limitation of  
20 indebtedness and shall contain a recital to that effect. Bonds of the  
21 authority shall be issued in such form, shall be in such denominations,  
22 shall bear interest, shall mature in such manner, and shall be executed  
23 by one or more members of the authority as provided in the resolution  
24 authorizing the issuance thereof. Such bonds may be subject to redemption  
25 at the option of and in the manner determined by the authority in the  
26 resolution authorizing the issuance thereof.

27 (5) Bonds issued by the authority shall be issued, sold, and  
28 delivered in accordance with the terms and provisions of a resolution  
29 adopted by the authority. The authority may sell such bonds in such  
30 manner, either at public or private sale, and for such price as it may  
31 determine to be in the best interests of the authority. The resolution



1 authorizing the issuance of bonds shall be published in a newspaper in or  
2 of general circulation within the city that created the authority.

3 (6) Neither the members of the authority nor any person executing  
4 the bonds shall be liable personally on any such bonds by reason of the  
5 issuance thereof. Such bonds or other obligations of an authority shall  
6 not be a debt of any city and shall so state on their face, and no city  
7 nor any revenue or any property of any city shall be liable for such  
8 bonds or other obligations except as provided in the Riverfront  
9 Development District Act.

10 Sec. 12. (1) A city may levy a general business occupation tax upon  
11 the businesses and users of space within a district for the purpose of  
12 paying all or any part of the total costs and expenses of such district.  
13 Notice of a hearing on any such tax levied under the Riverfront  
14 Development District Act shall be given to the businesses and users of  
15 space of such district, and appeals may be taken, in the manner provided  
16 in section 14 of this act.

17 (2) Any occupation tax imposed pursuant to this section shall make a  
18 reasonable classification of businesses, users of space, or kinds of  
19 transactions for purposes of imposing such tax, except that no occupation  
20 tax shall be imposed on any transaction which is subject to tax under  
21 section 53-160, 66-489, 66-489.02, 66-4,140, 66-4,145, 66-4,146, 77-2602,  
22 or 77-4008 or which is exempt from tax under section 77-2704.24. The  
23 collection of a tax imposed pursuant to this section shall be made and  
24 enforced in such manner as the city council shall by ordinance determine  
25 to produce the required revenue. The city council may provide that  
26 failure to pay the tax imposed pursuant to this section shall constitute  
27 a violation of the ordinance and subject the violator to a fine or other  
28 punishment as provided by ordinance.

29 (3) If any part of a riverfront development district overlaps with a  
30 business improvement district in which a general business occupation tax  
31 is already being levied pursuant to section 19-4031, the city creating

1 the riverfront development district shall not impose the riverfront  
2 development district's occupation tax within the overlapping area.

3       Sec. 13. (1) A city may levy a special assessment against the real  
4 estate located in a district, to the extent of the special benefit  
5 thereto, for the purpose of paying all or any part of the total costs and  
6 expenses of such district. The amount of each special assessment shall be  
7 determined by the city council sitting as a board of equalization.  
8 Assessments shall be levied in accordance with the method of assessment  
9 proposed in the ordinance creating the district. If the city council  
10 finds that the proposed method of assessment does not provide a fair and  
11 equitable method of apportioning costs, then it may assess the costs  
12 under such method as the city council finds to be fair and equitable.  
13 Notice of a hearing on any such tax levied under the Riverfront  
14 Development District Act shall be given to the landowners in such  
15 district, and appeals may be taken, in the manner provided in section 14  
16 of this act.

17       (2) All special assessments levied under the act shall be liens on  
18 the property and shall be certified for collection and collected in the  
19 same manner that special assessments for improvements in street  
20 improvement districts of the city are collected.

21       (3) If any part of a riverfront development district overlaps with a  
22 business improvement district in which a special assessment is already  
23 being levied pursuant to section 19-4030, the city creating the  
24 riverfront development district shall not impose the riverfront  
25 development district's special assessment within the overlapping area.

26       Sec. 14. (1) Notice of a hearing on any general business occupation  
27 tax to be levied under the Riverfront Development District Act shall be  
28 given to the businesses and users of space in such district by  
29 publication of a description of the businesses and users of space who  
30 will be subject to the occupation tax, the amount of the occupation tax  
31 proposed to be levied, and the general purpose for which such occupation

1 tax is to be levied one time each week for three weeks in a newspaper in  
2 or of general circulation in the city.

3 (2) Notice of a hearing on any special assessments to be levied  
4 under the act shall be given to the landowners in such district by  
5 publication of the description of the land, the amount proposed to be  
6 assessed, and the general purpose for which such assessment is to be made  
7 one time each week for three weeks in a newspaper in or of general  
8 circulation in the city.

9 (3) Notice under this section shall provide the date, time, and  
10 place of hearing to hear any objections or protests by landowners in the  
11 district as to the amount of assessment made against their land or by  
12 businesses and users of space in the district as to the amount of  
13 occupation tax to be levied against them. A direct appeal to the district  
14 court of the county in which such city is located may be taken from the  
15 decision of the city council in the same manner and under like terms and  
16 conditions as appeals may be taken from the amount of special assessments  
17 levied in street improvement districts in such city as now provided by  
18 law.

19 Sec. 15. If, subsequent to the levy of taxes or assessments, the  
20 use of any parcel of land shall change so that, had the new use existed  
21 at the time of making such levy, the assessment or levy on such parcel  
22 would have been higher than the levy or assessment actually made, an  
23 additional assessment or levy may be made on such parcel by the city  
24 council taking into consideration the new and changed use of the  
25 property. Reassessments or changes in the rate of levy of assessments or  
26 taxes may be made by the city council after notice and hearing as  
27 provided in section 14 of this act. The city council shall adopt a  
28 resolution of intention to change the rate of levy at least fifteen days  
29 prior to the hearing required for changes. The resolution shall specify  
30 the proposed change and shall give the time and place of the hearing. The  
31 levy of any additional assessment or tax shall not reduce or affect in

1 any manner the assessments previously levied.

2       Sec. 16. (1) The authority shall cause minutes and a record to be  
3 kept of all its proceedings. Meetings of the authority shall be subject  
4 to the Open Meetings Act.

5       (2) All of an authority's records and documents shall be considered  
6 public records for purposes of sections 84-712 to 84-712.09.

7       (3) The authority shall provide quarterly reports to the city that  
8 created the authority on the authority's activities pursuant to the  
9 Riverfront Development District Act. The authority shall also provide an  
10 annual report to the city that created the authority and to the Urban  
11 Affairs Committee of the Legislature by January 31 of each year  
12 summarizing the authority's activities for the prior calendar year. The  
13 report submitted to the committee shall be submitted electronically.

14       Sec. 17. (1) A district or an authority may be dissolved sixty  
15 calendar days after a resolution of dissolution is approved by the city  
16 council of the city that created the district or authority. Notice of  
17 consideration of a resolution of dissolution shall be given by publishing  
18 such notice in a newspaper in or of general circulation within the city  
19 that created the district or authority. Such notice shall also be sent by  
20 certified mail to the trustee of any outstanding bonds of the authority.

21       (2) Upon dissolution of an authority, all real property, personal  
22 property, and other assets of the authority shall become the assets of  
23 the city that created the authority.

24       (3) Upon dissolution of a district, any proceeds of the occupation  
25 tax or the special assessment relating to such district shall be subject  
26 to disposition as the city council shall determine.

27       Sec. 18. Section 19-4030, Revised Statutes Cumulative Supplement,  
28 2016, is amended to read:

29       19-4030 A city may levy a special assessment against the real estate  
30 located in a business improvement district, to the extent of the special  
31 benefit thereto, for the purpose of paying all or any part of the total

1 costs and expenses of performing any authorized work, except maintenance,  
2 repair, and reconstruction costs, within such district. The amount of  
3 each special assessment shall be determined by the city council sitting  
4 as a board of equalization. Assessments shall be levied in accordance  
5 with the method of assessment proposed in the ordinance creating the  
6 district. If the city council finds that the proposed method of  
7 assessment does not provide a fair and equitable method of apportioning  
8 costs, then it may assess the costs under such method as the city council  
9 finds to be fair and equitable. Notice of a hearing on any special  
10 assessments to be levied under the Business Improvement District Act  
11 shall be given to the landowners in such district by publication of the  
12 description of the land, the amount proposed to be assessed, and the  
13 general purpose for which such assessment is to be made one time each  
14 week for three weeks in a daily or weekly newspaper of general  
15 circulation published in the city. The notice shall provide the date,  
16 time, and place of hearing to hear any objections or protests by  
17 landowners in the district as to the amount of assessment made against  
18 their land. A direct appeal to the district court of the county in which  
19 such city is located may be taken from the decision of the city council  
20 in the same manner and under like terms and conditions as appeals may be  
21 taken from the amount of special assessments levied in street improvement  
22 districts in such city as now provided by law. All special assessments  
23 levied under the act shall be liens on the property and shall be  
24 certified for collection and collected in the same manner as special  
25 assessments for improvements and street improvement districts of the city  
26 are collected. If any part of a business improvement district overlaps  
27 with a riverfront development district in which a special assessment is  
28 already being levied pursuant to section 13 of this act, the city  
29 creating the business improvement district shall not impose the business  
30 improvement district's special assessment within the overlapping area.

31 Sec. 19. Section 19-4031, Revised Statutes Cumulative Supplement,

1 2016, is amended to read:

2 19-4031 (1) In addition to or in place of the special assessments  
3 authorized by the Business Improvement District Act, a city may levy a  
4 general business occupation tax upon the businesses and users of space  
5 within a district established for acquiring, constructing, maintaining or  
6 operating public offstreet parking facilities and providing in connection  
7 therewith other public improvements and facilities authorized by the  
8 Business Improvement District Act, for the purpose of paying all or any  
9 part of the total cost and expenses of any authorized improvement or  
10 facility within such district. Notice of a hearing on any such tax levied  
11 under the Business Improvement District Act shall be given to the  
12 businesses and users of space of such districts, and appeals may be  
13 taken, all in the manner provided in section 19-4030.

14 (2) After March 27, 2014, any occupation tax imposed pursuant to  
15 this section shall make a reasonable classification of businesses, users  
16 of space, or kinds of transactions for purposes of imposing such tax,  
17 except that no occupation tax shall be imposed on any transaction which  
18 is subject to tax under section 53-160, 66-489, 66-489.02, 66-4,140,  
19 66-4,145, 66-4,146, 77-2602, or 77-4008 or which is exempt from tax under  
20 section 77-2704.24. The collection of a tax imposed pursuant to this  
21 section shall be made and enforced in such a manner as the city council  
22 shall by ordinance determine to produce the required revenue. The city  
23 council may provide that failure to pay the tax imposed pursuant to this  
24 section shall constitute a violation of the ordinance and subject the  
25 violator to a fine or other punishment as provided by ordinance.

26 (3) If any part of a business improvement district overlaps with a  
27 riverfront development district in which a general business occupation  
28 tax is already being levied pursuant to section 12 of this act, the city  
29 creating the business improvement district shall not impose the business  
30 improvement district's occupation tax within the overlapping area.

31 Sec. 20. The Revisor of Statutes shall assign sections 1 to 17 of

1 this act to Chapter 19.

2 Sec. 21. Original sections 19-4030 and 19-4031, Revised Statutes

3 Cumulative Supplement, 2016, are repealed.