

ONE HUNDRED SIXTH LEGISLATURE - SECOND SESSION - 2020
COMMITTEE STATEMENT
LB1021

Hearing Date: Tuesday February 18, 2020
Committee On: Urban Affairs
Introducer: Groene
One Liner: Provide for an expedited review of certain redevelopment plans under the Community Development Law

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 7 Senators Arch, Briese, Crawford, Hansen, M., Hunt, Lowe, Wayne
Nay:
Absent:
Present Not Voting:

Oral Testimony:

Proponents:
Senator Mike Groene
Jim Otto

Representing:
Legislative District 42
Nebraska Retail Federation/Nebraska Restaurant
Association/Nebraska Economic Developers
Association/National Federation of Independent Business

Opponents:
Jennifer Taylor
Tim Sieh
David Levy

Representing:
City of Omaha
City of Lincoln
Omaha By Design

Neutral:
Christy Abraham
Jonathan Cannon

Representing:
League of Nebraska Municipalities
Nebraska Association of County Officials

Summary of purpose and/or changes:

LB 1021 would create an expedited review process for certain redevelopment projects under the Community Development Law that utilize tax-increment financing (TIF). Under the bill, a redevelopment project would be eligible for an expedited review if it meets the following criteria:

- The redevelopment project involves the repair, rehabilitation, or replacement of an existing structure located within an existing substandard and blighted area
 - The redevelopment project is located in a county with a population of less than 100,000 inhabitants or in an area that has been declared an extremely blighted area
 - The existing structure to be repaired, rehabilitated, or replaced is at least 50 years old
 - The redevelopment project is for an amount not to exceed \$250,000 for a single-family residential structure, \$1 million for a multi-family or commercial structure, or \$10 million for a project involving the revitalization of a structure included in the
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Explanation of amendments:

AM 2988 is a white-copy amendment that replaces the bill.

The amendment makes a number of changes to the expedited review process, including

- Providing that a municipality may elect by resolution to allow expedited reviews of redevelopment plans under the bill;
- Providing that if a municipality has elected to allow expedited review of redevelopment plans, that the governing body shall approve submitted redevelopment plans that meet statutory requirements within thirty days after submission of the plan;
- Limiting the eligibility of expedited reviews to redevelopment projects located in a county with a population of less than 100,000 inhabitants;
- Increasing the age of existing structures eligible for expedited review to 60 years
- Providing that for redevelopment projects that utilize TIF receiving an expedited review, the municipality shall incur indebtedness in the form of a promissory note issued to the owner of record of the property on which the structure identified in the redevelopment plan is located;
- Requiring that the Department of Revenue develop a standard certification form to be used by county assessors to certify the valuation of redevelopment projects receiving expedited reviews;
- Allowing municipalities to file a single report with the Property Tax Administrator for all redevelopment plans that utilize TIF receiving an expedited review;
- Clarifying that the maximum assessed value of property within a redevelopment project that receives an expedited review is based off the estimated value of the property when the project is complete;
- Clarifying that the municipality may require the submission of other permits necessary to complete a redevelopment project that receives an expedited review;
- Clarifying that the application fee for an expedited review is separate from any fees for building permits or other permits needed for the redevelopment project; and
- Harmonizing provisions

Justin Wayne, Chairperson