

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 984

Introduced by Hunt, 8.

Read first time January 14, 2020

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to cities and villages; to amend sections
2 14-1813 and 71-1599, Reissue Revised Statutes of Nebraska, and
3 sections 3-502, 19-5205, and 19-5305, Revised Statutes Cumulative
4 Supplement, 2018; to provide deadlines for filling vacancies on
5 certain boards, authorities, and agencies as prescribed; and to
6 repeal the original sections.
7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 3-502, Revised Statutes Cumulative Supplement,
2 2018, is amended to read:

3 3-502 (1) Any city may create an airport authority to be managed and
4 controlled by a board. The board, when and if appointed, shall have full
5 and exclusive jurisdiction and control over all facilities owned or
6 thereafter acquired by such city for the purpose of aviation operation,
7 air navigation, and air safety operation.

8 (2) The Cities Airport Authorities Act shall not become operative as
9 to any city unless the mayor and city council in their discretion
10 activate the airport authority by the mayor appointing and the council
11 approving the board members as provided in this section. Each such board
12 shall be a body corporate and politic, constituting a public corporation
13 and an agency of the city for which such board is established.

14 (3) Each board in cities of the primary, first, and second classes
15 and in villages shall consist of five members to be appointed by the
16 mayor with the approval of the city council to serve until their
17 successors elected pursuant to section 32-547 take office. Members of
18 such board shall be residents of the city for which such authority is
19 created. Any vacancy on such board shall be filled by appointment by the
20 mayor, with the approval of the city council, to serve the unexpired
21 portion of the term. A member of such board may be removed from office
22 for incompetence, neglect of duty, or malfeasance in office. An action
23 for the removal of such officer may be brought, upon resolution of the
24 city council, in the district court of the county in which such city is
25 located.

26 (4) Each board in cities of the metropolitan class shall consist of
27 five members who shall be nominated by the mayor and approved by the city
28 council and shall serve for terms of five years. Any vacancy on such
29 board shall be filled, not later than six months after the date of such
30 vacancy, by appointment by the mayor, with the approval of the city
31 council, and such appointee shall serve the unexpired portion of the term

1 of the member whose office was vacated. Any member of such board may be
2 removed from office by the mayor, for incompetence, neglect of duty, or
3 malfeasance in office, with the consent and approval of the city council.

4 (5) The members of the board hereby created shall not be entitled to
5 compensation for their services but shall be entitled to reimbursement of
6 expenses paid or incurred in the performance of the duties imposed upon
7 them by the Cities Airport Authorities Act, to be paid as provided in
8 section 23-1112 for county officers and employees. A majority of the
9 members of the board then in office shall constitute a quorum. The board
10 may delegate to one or more of the members, or to its officers, agents,
11 and employees, such powers and duties as it may deem proper.

12 (6) The board and its corporate existence shall continue only for a
13 period of twenty years from the date of appointment of the members
14 thereof and thereafter until all its liabilities have been met and its
15 bonds have been paid in full or such liabilities and bonds have otherwise
16 been discharged. When all liabilities incurred by the authority of every
17 kind and character have been met and all its bonds have been paid in full
18 or such liabilities and bonds have otherwise been discharged, all rights
19 and properties of the authority shall pass to and be vested in the city.
20 The authority shall have and retain full and exclusive jurisdiction and
21 control over all projects under its jurisdiction, with the right and duty
22 to charge and collect revenue therefrom, for the benefit of the holders
23 of any of its bonds or other liabilities. Upon the authority's ceasing to
24 exist, all its remaining rights and properties shall pass to and vest in
25 the city.

26 Sec. 2. Section 14-1813, Reissue Revised Statutes of Nebraska, is
27 amended to read:

28 14-1813 (1) Except as provided in subsection (2) of this section,
29 whenever any city of the metropolitan class creates an authority, the
30 board shall consist of five members to be selected as follows: (a) The
31 mayor, with the approval of the city council and the county board of the

1 county in which the city is located, shall appoint one member who shall
2 serve for one year, one member who shall serve for two years, one member
3 who shall serve for three years, one member who shall serve for four
4 years, and one member who shall serve for five years; and (b) upon the
5 expiration of the term of each appointed officer, the mayor, with the
6 approval of the city council and the county board of the county in which
7 the city is located, shall appoint a member who shall serve for a term of
8 five years. Members of such board shall be residents of the transit
9 authority territory described in section 14-1803 and one member of the
10 board shall be nominated and selected as provided in subsection (2) of
11 this section. In cities of the metropolitan class where a board has been
12 heretofore appointed, the mayor, with the approval of the city council
13 and the county board of the county in which the city is located, shall by
14 resolution redesignate the terms of the members of such board in
15 accordance with the provisions of sections 14-1803, 14-1805, 14-1812, and
16 14-1813, except that until such redesignation is made the terms shall
17 stand as provided for in the original appointment.

18 (2) Notwithstanding any provisions of the city charter of the city
19 of the metropolitan class to the contrary, when the next vacancy will
20 occur on the board after August 31, 2003, resulting from the expiration
21 of the term of office of a member of the board, notice of such vacancy
22 shall be communicated to the clerk of each county, city, or village which
23 is part of the transit authority territory. Such notice shall be provided
24 at least forty-five days prior to the expiration of the term of office of
25 the member. Each county, city, and village, other than the city of the
26 metropolitan class, may, by majority vote of their governing bodies,
27 recommend the appointment of one or more residents of their respective
28 jurisdictions to fill the board position. Such nominations shall be filed
29 with the mayor of the city of the metropolitan class not later than the
30 thirtieth day following the date of receipt of notice of the vacancy. The
31 mayor shall make the appointment to fill the board position from such

1 nominations. The individual appointed by the mayor, upon approval by the
2 city council of the city of the metropolitan class, shall become a member
3 of the board. Thereafter, any successor to such board member, either by
4 reason of vacancy or the expiration of such board member's term, shall
5 possess the residence qualifications provided for in this subsection, and
6 such board position shall be filled in the manner provided for in this
7 subsection.

8 (3) Except as provided in subsection (2) of this section, any
9 vacancy on such board, resulting other than from expiration of a term of
10 office, shall be filled, not later than six months after the date of such
11 vacancy, by the mayor of the city of the metropolitan class, with the
12 approval of the city council and the county board of the county in which
13 the city is located, and such appointee shall possess the same residence
14 qualifications as the member whose office he or she is to fill and shall
15 serve the unexpired portion, if any, of the term of the member whose
16 office was vacated.

17 (4) Each member, before entering upon the duties of the office,
18 shall file with the city clerk of the city of the metropolitan class an
19 oath that he or she will duly and faithfully perform all the duties of
20 the office to the best of his or her ability, and a bond in the penal sum
21 of five thousand dollars executed by one or more qualified sureties for
22 the faithful performance of his or her duties. If any member shall fail
23 to file such oath and bond on or before the first day of the term for
24 which he or she was appointed or elected, his or her office shall be
25 deemed to be vacant.

26 (5) A member of such board may be removed from office for
27 incompetence, neglect of duty, or malfeasance in office. An action for
28 the removal of such officer may be brought, upon resolution of the city
29 council of the city of the metropolitan class or the county board of the
30 county in which the city is located, in the district court of the county
31 in which such city is located.

1 Sec. 3. Section 19-5205, Revised Statutes Cumulative Supplement,
2 2018, is amended to read:

3 19-5205 (1) If a land bank is created by a single municipality, the
4 board of such land bank shall meet the following requirements:

5 (a) The board shall consist of:

6 (i) Seven voting members appointed by the mayor of the municipality
7 that created the land bank and confirmed by a two-thirds vote of the
8 governing body of such municipality;

9 (ii) The planning director of the municipality that created the land
10 bank or his or her designee, as a nonvoting, ex officio member;

11 (iii) One member of the governing body of the municipality that
12 created the land bank, appointed by such governing body, as a nonvoting,
13 ex officio member; and

14 (iv) Such other nonvoting members as are appointed by the mayor of
15 the municipality that created the land bank;

16 (b) The seven voting members of the board shall be residents of the
17 municipality that created the land bank;

18 (c) If the governing body of the municipality creating the land bank
19 has any of its members elected by district or ward, then at least one
20 voting member of the board shall be appointed from each such district or
21 ward. Such voting members shall represent, to the greatest extent
22 possible, the racial and ethnic diversity of the municipality creating
23 the land bank;

24 (d) The seven voting members of the board shall have, collectively,
25 verifiable skills, expertise, and knowledge in market-rate and affordable
26 residential, commercial, industrial, and mixed-use real estate
27 development, financing, law, purchasing and sales, asset management,
28 economic and community development, and the acquisition of tax sale
29 certificates;

30 (e) The seven voting members of the board shall include:

31 (i) At least one member representing a chamber of commerce;

1 (ii) At least one member with experience in banking;

2 (iii) At least one member with experience in real estate
3 development;

4 (iv) At least one member with experience as a realtor;

5 (v) At least one member with experience in nonprofit or affordable
6 housing; and

7 (vi) At least one member with experience in large-scale residential
8 or commercial property rental; and

9 (f) A single voting member may satisfy more than one of the
10 requirements provided in subdivision (1)(e) of this section if he or she
11 has the required qualifications. It is not necessary that there be a
12 different member to fulfill each such requirement.

13 (2) If a land bank is created by more than one municipality pursuant
14 to an agreement under the Interlocal Cooperation Act, the board of such
15 land bank shall meet the following requirements:

16 (a) The board shall consist of:

17 (i) An odd number of voting members, totaling at least seven,
18 appointed by the mayors of the municipalities that created the land bank,
19 as mutually agreed to by such mayors, and confirmed by a two-thirds vote
20 of the governing body of each municipality that created the land bank;

21 (ii) The planning director of each municipality that created the
22 land bank or his or her designee, as nonvoting, ex officio members;

23 (iii) One member of the governing body of each municipality that
24 created the land bank, appointed by the governing body on which such
25 member serves, as nonvoting, ex officio members; and

26 (iv) Such other nonvoting members as are appointed by the mayors of
27 the municipalities that created the land bank, as mutually agreed to by
28 such mayors;

29 (b) Each voting member of the board shall be a resident of one of
30 the municipalities that created the land bank, with at least one voting
31 member appointed from each such municipality;

1 (c) If the governing body of the largest municipality creating the
2 land bank has any of its members elected by district or ward, then at
3 least one voting member of the board shall be appointed from each such
4 district or ward. Such voting members shall represent, to the greatest
5 extent possible, the racial and ethnic diversity of the largest
6 municipality creating the land bank;

7 (d) The voting members of the board shall have, collectively,
8 verifiable skills, expertise, and knowledge in market-rate and affordable
9 residential, commercial, industrial, and mixed-use real estate
10 development, financing, law, purchasing and sales, asset management,
11 economic and community development, and the acquisition of tax sale
12 certificates;

13 (e) The voting members of the board shall include:

14 (i) At least one member representing a chamber of commerce;

15 (ii) At least one member with experience in banking;

16 (iii) At least one member with experience in real estate
17 development;

18 (iv) At least one member with experience as a realtor;

19 (v) At least one member with experience in nonprofit or affordable
20 housing; and

21 (vi) At least one member with experience in large-scale residential
22 or commercial property rental; and

23 (f) A single voting member may satisfy more than one of the
24 requirements provided in subdivision (2)(e) of this section if he or she
25 has the required qualifications. It is not necessary that there be a
26 different member to fulfill each such requirement.

27 (3) The members of the board shall select annually from among
28 themselves a chairperson, a vice-chairperson, a treasurer, and such other
29 officers as the board may determine.

30 (4) A public official or public employee shall be eligible to be a
31 member of the board.

1 (5) A vacancy on the board among the appointed board members shall
2 be filled not later than six months after the date of such vacancy in the
3 same manner as the original appointment.

4 (6) Board members shall serve without compensation.

5 (7) The board shall meet in regular session according to a schedule
6 adopted by the board and shall also meet in special session as convened
7 by the chairperson or upon written notice signed by a majority of the
8 voting members. The presence of a majority of the voting members of the
9 board shall constitute a quorum.

10 (8) Except as otherwise provided in subsections (9) and (11) of this
11 section and in sections 19-5210 and 19-5214, all actions of the board
12 shall be approved by the affirmative vote of a majority of the voting
13 members present and voting.

14 (9) Any action of the board on the following matters shall be
15 approved by a majority of the voting members:

16 (a) Adoption of bylaws and other rules and regulations for conduct
17 of the land bank's business;

18 (b) Hiring or firing of any employee or contractor of the land bank.
19 This function may, by majority vote of the voting members, be delegated
20 by the board to a specified officer or committee of the land bank, under
21 such terms and conditions, and to the extent, that the board may specify;

22 (c) The incurring of debt;

23 (d) Adoption or amendment of the annual budget; and

24 (e) Sale, lease, encumbrance, or alienation of real property,
25 improvements, or personal property with a value of more than fifty
26 thousand dollars.

27 (10) Members of a board shall not be liable personally on the bonds
28 or other obligations of the land bank, and the rights of creditors shall
29 be solely against such land bank.

30 (11) The board shall adopt policies and procedures to specify the
31 conditions that must be met in order for the land bank to give an

1 automatically accepted bid as authorized in sections 19-5217 and 19-5218.
2 The adoption of such policies and procedures shall require the approval
3 of two-thirds of the voting members of the board. At a minimum, such
4 policies and procedures shall ensure that the automatically accepted bid
5 shall only be given for one of the following reasons:

6 (a) The real property substantially meets more than one of the
7 following criteria as determined by two-thirds of the voting members of
8 the board:

9 (i) The property is not occupied by the owner or any lessee or
10 licensee of the owner;

11 (ii) There are no utilities currently being provided to the
12 property;

13 (iii) Any buildings on the property have been deemed unfit for human
14 habitation, occupancy, or use by local housing officials;

15 (iv) Any buildings on the property are exposed to the elements such
16 that deterioration of the building is occurring;

17 (v) Any buildings on the property are boarded up;

18 (vi) There have been previous efforts to rehabilitate any buildings
19 on the property;

20 (vii) There is a presence of vermin, uncut vegetation, or debris
21 accumulation on the property;

22 (viii) There have been past actions by the municipality to maintain
23 the grounds or any building on the property; or

24 (ix) The property has been out of compliance with orders of local
25 housing officials;

26 (b) The real property is contiguous to a parcel that meets more than
27 one of the criteria in subdivision (11)(a) of this section or that is
28 already owned by the land bank; or

29 (c) Acquisition of the real property by the land bank would serve
30 the best interests of the community as determined by two-thirds of the
31 voting members of the board. In determining whether the acquisition would

1 serve the best interests of the community, the board shall take into
2 consideration the hierarchical ranking of priorities for the use of real
3 property conveyed by a land bank established pursuant to subsection (5)
4 of section 19-5210, if any such hierarchical ranking is established.

5 Sec. 4. Section 19-5305, Revised Statutes Cumulative Supplement,
6 2018, is amended to read:

7 19-5305 (1) Following the creation of a district under section
8 19-5304, the mayor, with the approval of the city council, shall appoint
9 a riverfront development authority to oversee and manage the district.
10 The authority shall consist of five or more members who collectively
11 shall have skills, expertise, and knowledge in residential, commercial,
12 and mixed-use real estate development, financing, law, asset management,
13 economic and community development, and tourism promotion.

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

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

19 (4) A vacancy on the authority shall be filled not later than six
20 months after the date of such vacancy in the same manner as the original
21 appointment.

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

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

27 (7) Two or more cities which have a contiguous riverfront along the
28 same river may enter into an agreement pursuant to the Interlocal
29 Cooperation Act to create a single authority to jointly oversee and
30 manage the districts created in such cities. An agreement entered into
31 under this subsection shall contain the information required by section

1 19-5304.

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

7 (9) Each authority created pursuant to the Riverfront Development
8 District Act shall be deemed to be a public corporation acting in a
9 governmental capacity and a political subdivision of the state and shall
10 have permanent and perpetual duration until terminated and dissolved in
11 accordance with section 19-5317.

12 Sec. 5. Section 71-1599, Reissue Revised Statutes of Nebraska, is
13 amended to read:

14 71-1599 All vacancies shall be filled for the unexpired terms. A
15 vacancy shall be filled not later than six months after the date of such
16 vacancy by the same authority and in the same manner as the previous
17 commissioner whose position has become vacant was appointed.

18 Sec. 6. Original sections 14-1813 and 71-1599, Reissue Revised
19 Statutes of Nebraska, and sections 3-502, 19-5205, and 19-5305, Revised
20 Statutes Cumulative Supplement, 2018, are repealed.