

AMENDMENTS TO LB629

Introduced by McKinney, 11.

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

3           Section 1. Section 18-2109, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5           18-2109 (1) A redevelopment plan for a redevelopment project area  
6 shall not be prepared and the governing body of the city in which such  
7 area is located shall not approve a redevelopment plan unless the  
8 governing body has, by resolution adopted after the public hearings  
9 required under this section, declared such area to be a substandard and  
10 blighted area in need of redevelopment.

11           (2) Prior to making such declaration, the governing body of the city  
12 shall conduct or cause to be conducted a study or an analysis on whether  
13 the area is substandard and blighted and shall submit the question of  
14 whether such area is substandard and blighted to the planning commission  
15 or board of the city for its review and recommendation. The planning  
16 commission or board shall hold a public hearing on the question after  
17 giving notice of the hearing as provided in section 18-2115.01. The  
18 planning commission or board shall submit its written recommendations to  
19 the governing body of the city within thirty days after the public  
20 hearing.

21           (3) Upon receipt of the recommendations of the planning commission  
22 or board, or if no recommendations are received within thirty days after  
23 the public hearing required under subsection (2) of this section, the  
24 governing body shall hold a public hearing on the question of whether the  
25 area is substandard and blighted after giving notice of the hearing as  
26 provided in section 18-2115.01. At the public hearing, all interested  
27 parties shall be afforded a reasonable opportunity to express their views

1 respecting the proposed declaration. After such hearing, the governing  
2 body of the city may adopt a resolution declaring that substandard and  
3 blighted conditions exist in the area under study. After the governing  
4 body has declared that substandard and blighted conditions exist in the  
5 area under study, the governing body may, by one or more resolutions,  
6 declare such area or any portion of such area to be a substandard and  
7 blighted area without further public hearing.

8 (4) Copies of each substandard and blighted study or analysis  
9 conducted pursuant to subsection (2) of this section shall be posted on  
10 the city's public website or made available for public inspection at a  
11 location designated by the city.

12 Sec. 2. Section 18-2155, Reissue Revised Statutes of Nebraska, is  
13 amended to read:

14 18-2155 (1) The governing body of a city may elect by resolution to  
15 allow expedited reviews of redevelopment plans that meet the requirements  
16 of subsection (2) of this section. A redevelopment plan that receives an  
17 expedited review pursuant to this section shall be exempt from the  
18 requirements of sections 18-2111 to 18-2115 and 18-2116.

19 (2) A redevelopment plan is eligible for expedited review under this  
20 section if:

21 (a) The redevelopment plan includes only one redevelopment project;

22 (b) The redevelopment project involves:

23 (i) The repair, rehabilitation, or replacement of an existing  
24 structure that has been within the corporate limits of the city for at  
25 least sixty years and is located within a substandard and blighted area;  
26 or

27 (ii) The redevelopment of a vacant lot that is located within a  
28 substandard and blighted area that has been within the corporate limits  
29 of the city for at least sixty years and has been platted for at least  
30 sixty years;

31 (c) The redevelopment project is located in a county with a

1 population of less than one hundred thousand inhabitants; and

2 (d) The assessed value of the property within the redevelopment  
3 project area when the project is complete is estimated to be no more  
4 than:

5 (i) Three hundred fifty thousand dollars for a redevelopment project  
6 involving a single-family residential structure;

7 (ii) One million five hundred thousand dollars for a redevelopment  
8 project involving a multi-family residential structure or commercial  
9 structure; or

10 (iii) Ten million dollars for a redevelopment project involving the  
11 revitalization of a structure included in the National Register of  
12 Historic Places.

13 (3) The governing body of a city that elects to allow expedited  
14 reviews of redevelopment plans under this section may establish by  
15 resolution an annual limit on the number of such redevelopment plans that  
16 may be approved by the governing body.

17 (4) (3) The expedited review shall consist of the following steps:

18 (a) A redeveloper shall prepare the redevelopment plan using a  
19 standard form developed by the Department of Economic Development. The  
20 form shall include (i) the existing uses and condition of the property  
21 within the redevelopment project area, (ii) the proposed uses of the  
22 property within the redevelopment project area, (iii) the number of years  
23 the existing structure has been within the corporate limits of the city  
24 or the number of years that the vacant lot has been platted within the  
25 corporate limits of the city, whichever is applicable, (iv) the current  
26 assessed value of the property within the redevelopment project area, (v)  
27 the increase in the assessed value of the property within the  
28 redevelopment project area that is estimated to occur as a result of the  
29 redevelopment project, ~~and~~ (vi) an indication of whether the  
30 redevelopment project will be financed in whole or in part through the  
31 division of taxes as provided in section 18-2147, and (vii) the agreed-

1 upon costs of the redevelopment project;

2 (b) The redeveloper shall submit the redevelopment plan directly to  
3 the governing body along with ~~any building permit or other permits~~  
4 ~~necessary to complete the redevelopment project~~ and an application fee in  
5 an amount set by the governing body, not to exceed fifty dollars. Such  
6 application fee shall be separate from any fees for building permits or  
7 other permits needed for the project; and

8 (c) ~~The~~ ~~If the governing body has elected to allow expedited reviews~~  
9 ~~of redevelopment plans under subsection (1) of this section and the~~  
10 ~~submitted redevelopment plan meets the requirements of subsection (2) of~~  
11 ~~this section,~~ the governing body shall determine whether to approve or  
12 deny the redevelopment plan within thirty days after submission of the  
13 plan. A redevelopment plan may be denied if:

14 (i) The redevelopment plan does not meet the requirements of  
15 subsection (2) of this section;

16 (ii) Approval of the redevelopment plan would exceed the annual  
17 limit established under subsection (3) of this section; or

18 (iii) The redevelopment plan is inconsistent with the city's  
19 comprehensive development plan.

20 (5) ~~(4)~~ Each city may select the appropriate employee or department  
21 to conduct expedited reviews pursuant to this section.

22 (6) ~~(5)~~ For any approved redevelopment project that is financed in  
23 whole or in part through the division of taxes as provided in section  
24 18-2147:

25 (a) The authority shall incur indebtedness related to the  
26 redevelopment project which in the form of a promissory note issued to  
27 the owner of record of the property within the redevelopment project  
28 area. The total amount of indebtedness shall not exceed the lesser of the  
29 agreed-upon costs of the redevelopment project or the amount estimated to  
30 be generated over a fifteen-year period from the portion of taxes  
31 mentioned in subdivision (1)(b) of section 18-2147. ~~Such~~ ~~The terms of~~

1 ~~such promissory note shall clearly state that such indebtedness shall~~  
2 ~~does~~ not create a general obligation on behalf of the authority or the  
3 city in the event that the amount generated over a fifteen-year period  
4 from the portion of taxes mentioned in subdivision (1)(b) of section  
5 18-2147 does not equal the costs of the agreed-upon work to repair,  
6 rehabilitate, or replace the structure or to redevelop the vacant lot as  
7 provided in the redevelopment plan;

8 (b) Upon completion of the agreed-upon work to repair, rehabilitate,  
9 or replace the structure or to redevelop the vacant lot as provided in  
10 the redevelopment plan, the redeveloper shall notify the county assessor  
11 of such completion; and

12 (c) The county assessor shall then determine:

13 (i) Whether the redevelopment project is complete. Redevelopment  
14 projects must be completed within two years after the redevelopment plan  
15 is approved under this section; and

16 (ii) The assessed value of the property within the redevelopment  
17 project area.

18 ~~(7) (6)~~ After the county assessor makes the determinations required  
19 under subdivision ~~(6)(c) (5)(e)~~ of this section, the county assessor  
20 shall use a standard certification form developed by the Department of  
21 Revenue to certify to the authority:

22 (a) That improvements have been made and completed;

23 (b) That a valuation increase has occurred;

24 (c) The amount of the valuation increase; and

25 (d) That the valuation increase was due to the improvements made.

26 ~~(8) (7)~~ Once the county assessor has made the certification required  
27 under subsection ~~(7) (6)~~ of this section, the authority may begin to use  
28 the portion of taxes mentioned in subdivision (1)(b) of section 18-2147  
29 to pay the indebtedness incurred by the authority under subdivision ~~(6)~~  
30 ~~(a) (5)(a)~~ of this section.

31 ~~(9)~~ The payments shall be remitted to the holder of the indebtedness

1 ~~owner of record of the property within the redevelopment project area.~~  
2 The changes made to this subsection by this legislative bill shall be  
3 retroactive in application and shall apply to redevelopment plans  
4 approved prior to, on, or after the effective date of this act.

5 (10) (8) A single fund may be used for all redevelopment projects  
6 that receive an expedited review pursuant to this section. It shall not  
7 be necessary to create a separate fund for any such project, including a  
8 project financed in whole or in part through the division of taxes as  
9 provided in section 18-2147.

10 (11) The governing body of a city that elects to allow expedited  
11 reviews of redevelopment plans under this section may revoke such  
12 election by resolution at any time. The revocation of such election shall  
13 not affect the validity of (a) any redevelopment plan or redevelopment  
14 project that was approved under this section prior to the revocation of  
15 such election or (b) any indebtedness incurred by the authority under  
16 subdivision (6)(a) of this section prior to the revocation of such  
17 election.

18 Sec. 3. Section 19-5504, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20 19-5504 (1) On or before July 1, 2021, and by each July 1 every two  
21 years thereafter, each city shall electronically submit a report to the  
22 Urban Affairs Committee of the Legislature detailing its efforts to  
23 address the availability of and incentives for affordable housing through  
24 its zoning codes, ordinances, and regulations. Such report shall include,  
25 but not be limited to:

26 (a) An overview of the city's current residential zoning  
27 requirements;

28 (b) The percentage of areas within the corporate limits of the city  
29 zoned for residential use which permit the construction of multifamily  
30 housing and middle housing, including whether such areas are zoned  
31 specifically for residential use or generally allow residential use, and

1 whether such construction is permitted with or without any additional  
2 permit requirements;

3 (c) A breakdown of new residential construction within the corporate  
4 limits of the city over the previous five years, including the percentage  
5 of such construction that was single-family housing, multifamily housing,  
6 and middle housing;

7 (d) A breakdown of residential units annexed by the city over the  
8 previous five years, including the percentage of such units that were  
9 single-family housing, multifamily housing, and middle housing;

10 (e) An estimate of the per-unit cost of housing within the corporate  
11 limits of the city;

12 (f) Whether such zoning codes, ordinances, and regulations provide  
13 for density bonuses or other concessions or incentives which encourage  
14 residential density, and the frequency with which such bonuses,  
15 concessions, or incentives are utilized;

16 (g) Whether such zoning codes, ordinances, and regulations allow the  
17 construction of accessory dwelling units;

18 (h) What incentives the city applies to encourage the development of  
19 affordable housing, including both direct incentives and regulatory  
20 relief;

21 (i) The percentage of areas within the corporate limits of the city  
22 zoned for residential use which have been declared substandard and  
23 blighted areas under the Community Development Law;

24 (j) The percentage of areas within the corporate limits of the city  
25 zoned for residential use which have been declared extremely blighted  
26 areas under the Community Development Law;

27 (k) A demographic analysis of the city with trends and estimates of  
28 the housing need classified by housing type and price range; and

29 (l) Efforts to adopt an affordable housing action plan as required  
30 under section 19-5505, or efforts to implement an affordable housing  
31 action plan after such plan is adopted.

1 (2) The Urban Affairs Committee of the Legislature may require any  
2 city to present its report to the committee at a public hearing.

3 Sec. 4. Section 19-5505, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 19-5505 (1) On or before January 1, 2023, each city with a  
6 population of fifty thousand or more inhabitants shall adopt an  
7 affordable housing action plan. On or before January 1, 2024, each city  
8 with a population of less than fifty thousand inhabitants shall adopt an  
9 affordable housing action plan. Such action plan shall include, but not  
10 be limited to:

11 (a) Goals for the construction of new affordable housing units,  
12 including multifamily housing and middle housing, with specific types and  
13 numbers of units, geographic locations, and specific actions to encourage  
14 the development of affordable housing, middle housing, and workforce  
15 housing;

16 (b) Goals for a percentage of areas in the city zoned for  
17 residential use which permit the construction of multifamily housing and  
18 middle housing;

19 (c) Plans for the use of federal, state, and local incentives to  
20 encourage affordable housing, middle housing, and workforce housing,  
21 including the Affordable Housing Trust Fund, the Local Option Municipal  
22 Economic Development Act, tax-increment financing, federal community  
23 development block grants, density bonuses, and other nonmonetary  
24 regulatory relief; and

25 (d) Updates to the city's zoning codes, ordinances, and regulations  
26 to incentivize affordable housing.

27 (2) An affordable housing action plan required under subsection (1)  
28 of this section may be adopted as part of a city's comprehensive plan or  
29 as a separate plan.

30 (3) Each city which adopts an affordable housing action plan as  
31 required under subsection (1) of this section shall electronically submit



1 a copy of such plan to the Urban Affairs Committee of the Legislature.

2 ~~(4) (3)~~ Any city which fails to adopt an affordable housing action  
3 plan as required under subsection (1) of this section shall be required  
4 to allow the development of:

5 (a) Middle housing in all areas in the city zoned for residential  
6 use that allow for the development of detached single-family dwellings;  
7 and

8 (b) A duplex on each lot or parcel zoned for residential use that  
9 allows for the development of detached single-family dwellings.

10 ~~(5) (4)~~ A city shall amend any building zoning ordinances or  
11 regulations as needed to comply with subsection ~~(4) (3)~~ of this section.

12 Sec. 5. Section 58-209.01, Reissue Revised Statutes of Nebraska, is  
13 amended to read:

14 58-209.01 Blighted area has the same meaning as in section 18-2103  
15 ~~shall mean an area within a city or village (1) which by reason of the~~  
16 ~~presence of a substantial number of deteriorated or deteriorating~~  
17 ~~structures, defective or inadequate street layout, faulty lot layout in~~  
18 ~~relation to size, adequacy, accessibility or usefulness, unsanitary or~~  
19 ~~unsafe conditions, deterioration of site or other improvements, diversity~~  
20 ~~of ownership, tax or special assessment delinquency exceeding the fair~~  
21 ~~value of the land, defective or unusual conditions of title, improper~~  
22 ~~subdivision or obsolete platting, or conditions which endanger life or~~  
23 ~~property by fire and other causes or any combination of such factors~~  
24 ~~substantially impairs or arrests the sound growth of the community,~~  
25 ~~retards the provision of housing accommodations, or constitutes an~~  
26 ~~economic or social liability and is detrimental to the public health,~~  
27 ~~safety, morals, or welfare in its present condition and use and (2) in~~  
28 ~~which there is at least one of the following conditions: (a) Unemployment~~  
29 ~~in the designated area is at least one hundred twenty percent of the~~  
30 ~~state or national average; (b) the average age of the residential or~~  
31 ~~commercial units in the area is at least forty years; (c) more than half~~

~~1 of the platted and subdivided property in the area is unimproved land  
2 that has been within the city or village for forty years and has remained  
3 unimproved during that time; (d) the per capita income of the area is  
4 lower than the average per capita income of the municipality in which the  
5 area is designated; or (e) the area has had either stable or decreasing  
6 population based on the last two decennial censuses. A city of the  
7 metropolitan, primary, or first class shall not designate more than  
8 thirty five percent of the city as blighted, a city of the second class  
9 shall not designate an area larger than fifty percent of the city as  
10 blighted, and a village shall not designate an area larger than one  
11 hundred percent of the village as blighted.~~

12 Sec. 6. Section 76-3602, Revised Statutes Cumulative Supplement,  
13 2022, is amended to read:

14 76-3602 (1) ~~(1)~~ Before conducting home inspections in this state ~~and in~~  
15 ~~each even-numbered year,~~ a home inspector shall register with the  
16 Secretary of State. If the home inspector is an individual, the home  
17 inspector shall sign such registration. If the home inspector is a firm,  
18 partnership, corporation, company, association, limited liability  
19 company, or other legal entity, an officer or agent of the home inspector  
20 shall sign such registration. Such registration shall include:

21 (a) ~~(1)~~ The name of the home inspector if the home inspector is an  
22 individual or the name of the legal entity under which such home  
23 inspector proposes to register and transact business in this state;

24 (b) ~~(2)~~ The address of the home office of the home inspector;

25 (c) ~~(3)~~ The name and address of the agent for service of process on  
26 the home inspector; and

27 (d) ~~(4)~~ Any national certification relating to home inspection  
28 currently held by the home inspector.

29 (2) ~~A home inspector may apply to renew a registration by submitting~~  
30 an application for renewal in a form prescribed by the Secretary of State  
31 within forty-five days prior to the expiration of the registration.

1           (3) A registration for a home inspector is valid for two years.

2           Sec. 7. Section 76-3603, Revised Statutes Cumulative Supplement,  
3 2022, is amended to read:

4           76-3603 At the time of registration or renewal of a registration  
5 pursuant to section 76-3602, a home inspector shall:

6           (1) Pay a registration or renewal fee to the Secretary of State. The  
7 Secretary of State shall set such registration or renewal fee in an  
8 amount sufficient to defray the administrative costs of registration or  
9 renewal but not to exceed three hundred dollars. The Secretary of State  
10 shall remit such registration or renewal fee to the State Treasurer for  
11 credit to the Secretary of State Cash Fund; and

12           (2) Provide to the Secretary of State a certificate of insurance  
13 evidencing coverage in an amount of not less than two hundred fifty  
14 thousand dollars for general liability.

15           Sec. 8. Section 76-3604, Revised Statutes Cumulative Supplement,  
16 2022, is amended to read:

17           76-3604 A home inspector shall report a change in information  
18 required by section 76-3602 or 76-3603 within forty-five calendar ~~thirty~~  
19 ~~business~~ days of such change.

20           Sec. 9. Section 81-1237, Revised Statutes Cumulative Supplement,  
21 2022, is amended to read:

22           81-1237 For purposes of the Middle Income Workforce Housing  
23 Investment Act:

24           (1) Department means the Department of Economic Development;

25           (2) Director means the Director of Economic Development;

26           (3) Eligible activities of a workforce housing investment fund  
27 means:

28           (a) New construction of owner-occupied housing in a neighborhood and  
29 community with a demonstrated need for housing that is affordable and  
30 attractive to first-time homebuyers, middle-income families, and the  
31 emerging workforce;

1 (b) Substantial repair or rehabilitation of dilapidated housing  
2 stock; or

3 (c) Upper-story housing development for occupation by a homeowner;

4 ~~(4) HOME funds means funds awarded as formula grants under the HOME~~  
5 ~~Investment Partnerships Program administered by the United States~~  
6 ~~Department of Housing and Urban Development;~~

7 ~~(4) (5)~~ Matching funds means dollars contributed by individuals,  
8 businesses, foundations, local and regional political subdivisions, or  
9 other nonprofit organizations to a workforce housing investment fund  
10 administered by a nonprofit development organization;

11 ~~(5) (6)~~ Nonprofit development organization means a regional or  
12 statewide nonprofit development organization approved by the director;

13 ~~(6) (7)~~ Qualified activities include, for all allocations under the  
14 Middle Income Workforce Housing Investment Act, grants, loans, forgivable  
15 loans, purchase guarantees, loan guarantees, loan participations, and  
16 other credit enhancements related to eligible activities of the workforce  
17 housing investment fund;

18 ~~(7) (8)~~ Qualified investment means a cash investment in a workforce  
19 housing investment fund administered by a nonprofit development  
20 organization;

21 ~~(8) (9)~~ Urban community means, for all allocations under the Middle  
22 Income Workforce Housing Investment Act, any area that is:

23 (a) In a county with a population greater than one hundred thousand  
24 inhabitants as determined by the most recent federal decennial census;  
25 and

26 (b)(i) Within or adjacent to a qualified census tract as described  
27 in 26 U.S.C. 42(d)(5)(B), as such section existed on January 1, 2023  
28 2022; or

29 (ii) Within a city of the primary class;

30 ~~(9) (10)~~ Workforce housing means, for all allocations under the  
31 Middle Income Workforce Housing Investment Act:

1 (a) Owner-occupied housing units that have a total housing  
2 construction cost ~~an after-construction appraised value~~ of at least one  
3 hundred twenty-five thousand dollars but not more than two hundred  
4 seventy-five thousand dollars. Total housing construction cost excludes  
5 infrastructure improvements, lot acquisition, and similar construction  
6 preparation costs. For purposes of this subdivision, total housing  
7 construction cost ~~(a) and subdivision (b) of this subdivision,~~ housing  
8 ~~unit after-construction appraised value~~ shall be updated annually by the  
9 department based upon the most recent increase or decrease in the  
10 Producer Price Index for all commodities, published by the United States  
11 Department of Labor, Bureau of Labor Statistics;

12 (b) Owner-occupied housing units for which the cost to substantially  
13 rehabilitate such units exceeds fifty percent of a unit's before-  
14 construction assessed value, and the after-construction appraised value  
15 is at least one hundred twenty-five thousand dollars but not more than  
16 two hundred seventy-five thousand dollars. For purposes of this  
17 subdivision, housing unit after-construction appraised value shall be  
18 updated annually by the department based upon the most recent increase or  
19 decrease in the Producer Price Index for all commodities, published by  
20 the United States Department of Labor, Bureau of Labor Statistics; and

21 (c) Upper-story housing for occupation by a homeowner; and

22 ~~(d) Housing that does not receive federal or state low-income~~  
23 ~~housing tax credits, community development block grants, HOME funds, or~~  
24 ~~funds from the Affordable Housing Trust Fund; and~~

25 (10) (11) Workforce housing investment fund means a fund that has  
26 been created by a nonprofit development organization and certified by the  
27 director to encourage development of workforce housing in urban  
28 communities.

29 Sec. 10. Section 81-1238, Revised Statutes Cumulative Supplement,  
30 2022, is amended to read:

31 81-1238 (1) The director shall establish a workforce housing

1 investment grant program to foster and support the development of  
2 workforce housing in urban communities.

3 (2) A nonprofit development organization may apply to the director  
4 for approval of a workforce housing grant for a workforce housing  
5 investment fund. The application shall be in a form and manner prescribed  
6 by the director. Through fiscal year 2026-27, grants shall be awarded by  
7 the director on a competitive basis until grant funds are no longer  
8 available. Grant maximums shall not exceed five million dollars to any  
9 one nonprofit development organization over a two-year period, with the  
10 cumulative amount for any single grantee to be determined by the  
11 department at the discretion of the director. An applicant shall provide  
12 matching funds of at least one-half of the amount of workforce housing  
13 grant funds awarded. Unallocated funds held by the department shall be  
14 rolled to the next program year.

15 (3) Grants shall be awarded based upon:

16 (a) A demonstrated need for additional owner-occupied housing. Need  
17 can be demonstrated with a recent housing study or a letter from the  
18 planning department of the city in which the fund is intending to operate  
19 stating that the proposal is in line with the city's most recent  
20 consolidated plan submitted under 24 C.F.R. part 91, subpart D, as such  
21 subpart existed on January 1, 2020;

22 (b) A neighborhood or community that has a higher-than-state-average  
23 unemployment rate;

24 (c) A neighborhood or community that exhibits a demonstrated  
25 commitment to growing its housing stock;

26 (d) Reducing barriers to the development and purchase of owner-  
27 occupied housing with flexible forms of assistance, including grants,  
28 forgivable loans, and other forms of long-term, patient financing;

29 (e) ~~(d)~~ Projects that can reasonably be ready for occupancy in a  
30 period of twenty-four months; and

31 (f) ~~(e)~~ A demonstrated ability to grow and manage a workforce

1 housing investment fund.

2 (4) A workforce housing investment fund shall:

3 (a) Be required to receive annual certification from the department;

4 (b) Invest or intend to invest in eligible activities for a  
5 workforce housing investment fund;

6 (c) Use any fees, interest, loan repayments, or other funds received  
7 by the nonprofit development organization as a result of the  
8 administration of the grant to support qualified activities; and

9 (d) Have an active board of directors with expertise in development,  
10 construction, and finance that meets at least quarterly to approve all  
11 qualified investments made by the nonprofit development organization. A  
12 nonprofit development organization shall have a formal plan and proven  
13 expertise to invest unused workforce housing investment fund balances and  
14 shall conduct an annual audit of all financial records by an independent  
15 certified public accountant.

16 (5) A nonprofit development organization that has previously  
17 received a grant or grants under the Middle Income Workforce Housing  
18 Investment Act shall not be eligible for an additional grant under this  
19 section unless the organization has expended at least fifty percent of  
20 the funds from such previous grant or grants.

21 Sec. 11. Section 81-12,241, Revised Statutes Cumulative Supplement,  
22 2022, is amended to read:

23 81-12,241 (1) A primary responsibility of the Economic Recovery and  
24 Incentives Division of the Department of Economic Development shall be to  
25 utilize federal or state funding to award grants as provided in this  
26 section. The division shall develop a coordinated plan and a grant  
27 application and scoring process to award grants under subsection (3) of  
28 this section.

29 (2) The coordinated plan developed pursuant to this section shall  
30 direct and prioritize the use of grants toward the economic recovery of  
31 those communities and neighborhoods within qualified census tracts

1 located within the boundaries of a city of the metropolitan class that  
2 were disproportionately impacted by the COVID-19 public health emergency  
3 and related challenges, with an emphasis on housing needs, assistance for  
4 small businesses, job training, and business development within such  
5 communities and neighborhoods. In prioritizing the use of grants, the  
6 Economic Recovery and Incentives Division may rely on any studies  
7 produced pursuant to section 81-12,242. Not later than August 1, 2022,  
8 the division shall submit a copy of an initial coordinated plan to the  
9 Economic Recovery Special Committee of the Legislature. Not later than  
10 December 1, 2022, the division shall submit a final copy of such  
11 coordinated plan to the Economic Recovery Special Committee of the  
12 Legislature.

13 (3)(a) The Economic Recovery and Incentives Division shall create a  
14 Qualified Census Tract Recovery Grant Program to provide funding to  
15 public and private entities located within qualified census tracts  
16 throughout the state to respond to the negative impact of the COVID-19  
17 public health emergency.

18 (b) Not to exceed ten million dollars in grants shall be distributed  
19 under the grant program to eligible grantees in qualified census tracts  
20 that are located in a city of the primary class.

21 (c) Not to exceed ten million dollars in grants shall be distributed  
22 under the grant program to eligible grantees in qualified census tracts  
23 that are located outside of a city of the metropolitan class or a city of  
24 the primary class.

25 (d) All remaining funds shall be allocated for grants distributed  
26 under the grant program to eligible grantees in qualified census tracts  
27 that are located in a city of the metropolitan class, with no less than  
28 thirty-five million dollars in such grants allocated to eligible grantees  
29 which are located south of Dodge Street and east of 72nd Street in such  
30 city and no less than fifty-five million dollars in such grants allocated  
31 to eligible grantees which are located north of Dodge Street and east of



1 72nd Street in such city. Any funds not applied for within such areas may  
2 be allocated for grants to eligible grantees in any qualified census  
3 tract in such city.

4 (4) In addition to grants under the Qualified Census Tract Recovery  
5 Grant Program, the Economic Recovery and Incentives Division shall  
6 provide grant funding for the following purposes:

7 (a) Not to exceed sixty million dollars in grants to a nonprofit  
8 economic development organization for the development of a business park  
9 located within or adjacent to one or more qualified census tracts located  
10 within the boundaries of a city of the metropolitan class and within two  
11 miles of a major airport as defined in section 13-3303;

12 (b) Not to exceed thirty million dollars in grants to one or more  
13 innovation hubs located in one or more qualified census tracts and within  
14 two miles of a major airport as defined in section 13-3303 providing  
15 services and resources within qualified census tracts located within the  
16 boundaries of a city of the metropolitan class;

17 (c) Not to exceed three million dollars in grants in fiscal year  
18 2022-23 and not to exceed three million dollars in fiscal year 2023-24 to  
19 a nonprofit organization partnering with a city of the metropolitan class  
20 for the purpose of providing internships and crime prevention within  
21 qualified census tracts located within the boundaries of such city;

22 (d) Not to exceed five million dollars in grants pursuant to the  
23 purposes of the Nebraska Film Office Fund on or before June 30, 2023, for  
24 the purpose of producing a film on Chief Standing Bear, a portion of  
25 which is to be filmed in one or more qualified census tracts located  
26 within the boundaries of a city of the metropolitan class;

27 (e) Not to exceed twenty million dollars in grants to public or  
28 private entities to prepare land parcels for affordable housing or  
29 conduct other eligible affordable housing interventions under the federal  
30 American Rescue Plan Act of 2021 including production, rehabilitation,  
31 and preservation of affordable rental housing and affordable

1 homeownership units within qualified census tracts which are located in a  
2 city of the metropolitan class;

3 (f) Not to exceed twenty million dollars in grants to public or  
4 private entities to prepare land parcels for affordable housing or  
5 conduct other eligible affordable housing interventions under the federal  
6 American Rescue Plan Act of 2021 including production, rehabilitation,  
7 and preservation of affordable rental housing and affordable  
8 homeownership units within qualified census tracts which are located in a  
9 city of the primary class;

10 (g) Not to exceed five million dollars in grants to a county  
11 agricultural society with facilities within a city of the primary class  
12 to recoup lost revenue; and

13 (h) Not to exceed one million dollars in grants to a postsecondary  
14 institution located in a qualified census tract in a city of the  
15 metropolitan class to provide funding for a financial literacy program to  
16 improve economic and health outcomes for individuals residing in  
17 qualified census tracts.

18 (5) For purposes of subdivisions (4)(e) and (f) of this section,  
19 preparing land parcels shall include:

20 (a) Costs and fees associated with legal land surveys and structural  
21 assessments;

22 (b) ~~(a)~~ Laying drinking water mains, lines, pipes, or channels;

23 (c) Development of access to essential utilities, such as sanitary  
24 sewer, electric, gas, and high-speed Internet;

25 (d) ~~(b)~~ Rehabilitation, renovation, maintenance, or other costs to  
26 secure vacant or abandoned properties in disproportionately impacted  
27 communities;

28 (e) ~~(c)~~ Acquiring and securing legal title of vacant or abandoned  
29 properties in disproportionately impacted communities;

30 (f) Testing, removal, ~~(d) Removal~~ and remediation of environmental  
31 contaminants or hazards from vacant or abandoned properties in

1 disproportionately impacted communities when conducted in compliance with  
2 applicable environmental laws or regulations;

3 (g) ~~(e)~~ Demolition or deconstruction of vacant or abandoned  
4 buildings in disproportionately impacted communities; and

5 (h) ~~(f)~~ Costs associated with inspection fees and other  
6 administrative costs incurred to ensure compliance with applicable  
7 environmental laws and regulations for demolition or other remediation  
8 activities in disproportionately impacted communities.

9 (6) All grants made by the Economic Recovery and Incentives Division  
10 utilizing federal funds allocated to the State of Nebraska from the  
11 federal Coronavirus State Fiscal Recovery Fund under the federal American  
12 Rescue Plan Act of 2021 shall meet the eligible uses under such act and  
13 any relevant guidance on the use of such funds by the United States  
14 Department of the Treasury.

15 Sec. 12. Original sections 18-2109, 18-2155, 19-5504, 19-5505, and  
16 58-209.01, Reissue Revised Statutes of Nebraska, and sections 76-3602,  
17 76-3603, 76-3604, 81-1237, 81-1238, and 81-12,241, Revised Statutes  
18 Cumulative Supplement, 2022, are repealed.