

February 18, 1982

LR 706

So I would like to ask that you look favorably upon this amendment which again would limit it to blighted property as opposed to blighted or substandard. Thank you.

SPEAKER MARVEL: Senator DeCamp.

SENATOR DeCAMP: Mr. President, I am going to support the amendment but I would like, so I completely understand this bill, to ask Senator Landis a question. Dave, I am going to use an example and then you tell me if it right or wrong and I will give my arguments later.

SENATOR LANDIS: Okay.

SENATOR DeCAMP: As I understand it, under this proposal, and let's assume we pass the proposal on the ballot, the people vote for it and then we put the standards in and so on and so forth, the following situation would be a representation of how it would function. We take let's say two square blocks of downtown Lincoln, let's say just for hypothetical where the Cornhusker is going to be blown down, okay. And we say, and we look at the record books and the record books right now say, okay, the value of this land is let's say \$1 million. The City Council of Lincoln would then be able to say, okay, for the next five years the value of this land no matter what is built on it is going to be only a million dollars. You could then put up let's say a forty, fifty million dollar convention center, for example, and even though that was a forty or fifty million dollar convention center it would pay property taxes only on the basis of what was there before of a million dollars. Is that how it would work?

SENATOR LANDIS: That is how it works, John.

SENATOR DeCAMP: That's what I thought. Okay, Mr. President, the goal is noble, I don't contest that and that is why I have mixed feelings on the bill. Crown Center in Kansas City is probably one of the better examples of utilization of this concept. Now whether the tax things they were given there, the special permits or benefits was the incentive for building or whether it was just a good investment, I would suspect if you checked, it was a good investment, and that was kind of a bonus. But here are my concerns about the concept. The property tax system which we have guarded so strongly with our Constitution will be dramatically changed. We will turn over to cities, villages, whoever, the choice of management

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