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provides that any city or village of the state without regard to charter limitations and restrictions may incur indebtednesses whether by bond, loans, notes, advances of money or otherwise for the purpose of acquiring and redeveloping substandard or blighted property. And then our existing constitutional provision goes on to state that such cities or villages may pledge and apply to the payment of the principal interest on these indebtednesses, tax levied by the taxing bodies on the assessed valuation of the project in mind. That is existing law. Senator Goodrich's amendment to the Constitution allows tax incremental financing to be extended for 30 years as opposed to the present 15. What my amendment would do is this. It adds one word basically to the existing constitutional provision. It would add the word "rehabilitating". It would say, for the purpose of acquiring...actually for the purpose of "rehabilitating, acquiring or redeveloping substandard or blighted property", cities may do the things that the Constitution calls for. So the magic word is "rehabilitating". Now the reason that I am asking that this proposed constitutional amendment be amended one additional time to include the word "rehabilitating" is so our cities and villages that wish to engage in any kind of activities involving substandard or blighted property do not have...are not limited to simply acquiring the property or simply redeveloping the property, acquiring and redeveloping the property, but instead can also rehabilitate the property. Now we saw in Lincoln two weeks ago an example of tax incremental financing being used by the City of Lincoln to blow up the Cornhusker Hotel to make a site clear so that a new facility could be constructed. One reason why the Cornhusker Hotel had to be blown up as opposed to being restored is because there is no authority under existing law for cities and villages to use tax incremental financing to rehabilitate property. They have got to acquire and redevelop it, but they can't just rehabilitate it. Now the Cornhusker Hotel, had this amendment been in place, could have been...the interior could have been gutted and it could have been used for whatever purposes the city wanted to use it for. That is a rehabilitation type project. But for the want of the word "rehabilitation" tax incremental financing cannot be used in that fashion. The City of Omaha has engaged in many, many projects using federal dollars, not city money because of constitutional limitations but federal dollars to rehabilitate substandard and blighted property, and those federal dollars are now coming to an end through some of the changes occurring congressionally. And what that means very simply is that a city like Omaha will not have the ability...it may have the will but it just doesn't have the ability to use its own money for the purposes

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