

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 564

Introduced by Bolz, 29.

Read first time January 22, 2019

Committee: Urban Affairs

- 1 A BILL FOR AN ACT relating to municipalities; to amend sections 13-2702,
- 2 13-2703, 13-2704, 13-2704.01, 13-2705, 13-2707, 13-2707.01, and
- 3 13-2709, Revised Statutes Cumulative Supplement, 2018; to change the
- 4 Civic and Community Center Financing Act; and to repeal the original
- 5 sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 13-2702, Revised Statutes Cumulative Supplement,
2 2018, is amended to read:

3 13-2702 The purpose of the Civic and Community Center Financing Act
4 is to support the development of civic centers, historic buildings or
5 districts, public spaces ~~community~~, and recreation centers throughout
6 Nebraska. Furthermore, the act is intended to support projects that
7 foster maintenance or growth of communities.

8 Sec. 2. Section 13-2703, Revised Statutes Cumulative Supplement,
9 2018, is amended to read:

10 13-2703 For purposes of the Civic and Community Center Financing
11 Act:

12 (1) Civic center means a facility that is ~~primarily~~ used to host
13 conventions, meetings, and cultural events or ~~and~~ a library;

14 ~~(2) Community center means property that is owned by a municipality~~
15 ~~and located within the traditional center of a community, typically~~
16 ~~comprised of a cohesive core of residential, civic, religious, and~~
17 ~~commercial buildings, arranged around a main street and intersecting~~
18 ~~streets;~~

19 (2) ~~(3)~~ Department means the Department of Economic Development;

20 (3) Eligible facility means any civic center, historic building or
21 district, public space, or recreation center;

22 (4) Fund means the Civic and Community Center Financing Fund;

23 (5) Historic building or district means a building or district
24 eligible for listing on or currently listed on the National Register of
25 Historic Places or a building that is certified as contributing to the
26 significance of a registered state or national historic district; ~~and~~

27 (6) Public space means property located within the traditional
28 center of a community, typically comprised of a cohesive core of
29 residential, civic, religious, and commercial buildings, arranged around
30 a main street and intersecting streets; and

31 (7) ~~(6)~~ Recreation center means a facility or park used for

1 athletics, fitness, sport activities, or recreation that is ~~owned by a~~
2 ~~municipality and is~~ available for use by the general public with or
3 without charge. Recreation center does not include any facility that
4 requires a person to purchase a membership to utilize such facility.

5 Sec. 3. Section 13-2704, Revised Statutes Cumulative Supplement,
6 2018, is amended to read:

7 13-2704 (1) The Civic and Community Center Financing Fund is
8 created. The fund shall be administered by the department. Any money in
9 the fund available for investment shall be invested by the state
10 investment officer pursuant to the Nebraska Capital Expansion Act and the
11 Nebraska State Funds Investment Act. Transfers may be made from the fund
12 to the General Fund, the Department of Revenue Enforcement Fund, and the
13 State Colleges Sport Facilities Cash Fund at the direction of the
14 Legislature.

15 (2)(a) The department shall use the Civic and Community Center
16 Financing Fund for the following purposes:

17 (i) For grants of assistance as described in section 13-2704.01;

18 (ii) For grants of assistance as described in section 13-2704.02;
19 and

20 (iii) For reasonable and necessary costs of the department directly
21 related to the administration of the fund, not to exceed the amount
22 needed to employ a one-half full-time equivalent employee.

23 (b) Grants of assistance shall ~~The fund may~~ not be used for
24 programming, marketing, advertising, or facility-staffing activities.

25 (3) The State Treasurer shall transfer two hundred fifty thousand
26 dollars from the Civic and Community Center Financing Fund to the State
27 Colleges Sport Facilities Cash Fund on October 1 of 2012, 2013, and 2014.
28 Commencing October 1, 2015, and every year thereafter, the State
29 Treasurer shall transfer three hundred thousand dollars from the Civic
30 and Community Center Financing Fund to the State Colleges Sport
31 Facilities Cash Fund.

1 Sec. 4. Section 13-2704.01, Revised Statutes Cumulative Supplement,
2 2018, is amended to read:

3 13-2704.01 (1) The department shall use the fund to provide grants
4 of assistance for the following purposes:

5 (a) To assist in the construction of new civic centers and
6 recreation centers or the renovation or expansion of existing civic
7 centers and recreation centers;

8 (b) To assist in the preservation, restoration, conversion,
9 rehabilitation, or reuse of historic buildings or districts;

10 (c) To assist in the preservation and restoration of historic
11 buildings owned by a nonprofit organization if a contractual relationship
12 is created between a municipality and the nonprofit organization; or

13 (d) To upgrade public spaces ~~community centers~~, including the
14 demolition of substandard and abandoned buildings.

15 (2) Applications for grants of assistance pursuant to this section
16 shall be evaluated by the department pursuant to section 13-2707.

17 Sec. 5. Section 13-2705, Revised Statutes Cumulative Supplement,
18 2018, is amended to read:

19 13-2705 The department may conditionally approve grants of
20 assistance from the fund to eligible and competitive applicants within
21 the following limits:

22 (1) Except as provided in subdivision (2) of this section, a grant
23 request shall be in an amount meeting the following requirements:

24 (a) For a grant of assistance under section 13-2704.01, at least
25 fifteen thousand dollars but no more than:

26 (i) For a city of the primary class, two million two hundred fifty
27 thousand dollars;

28 (ii) For a city with a population of more than forty thousand but
29 less than one hundred thousand inhabitants as determined by the most
30 recent federal decennial census or the most recent revised certified
31 count by the United States Bureau of the Census, one million one hundred

1 twenty-five thousand dollars;

2 (iii) For a city with a population of more than twenty thousand but
3 less than forty thousand inhabitants as determined by the most recent
4 federal decennial census or the most recent revised certified count by
5 the United States Bureau of the Census, seven hundred fifty thousand
6 dollars;

7 (iv) For a city with a population of more than ten thousand but less
8 than twenty thousand inhabitants as determined by the most recent federal
9 decennial census or the most recent revised certified count by the United
10 States Bureau of the Census, six hundred thousand dollars; and

11 (v) For a municipality with a population of less than ten thousand
12 inhabitants as determined by the most recent federal decennial census or
13 the most recent revised certified count by the United States Bureau of
14 the Census, three hundred seventy-five thousand dollars; and

15 (b) For a grant of assistance under section 13-2704.02, at least
16 three thousand dollars but no more than fifteen thousand dollars;

17 (2) Upon the balance of the fund reaching three million seven
18 hundred fifty thousand dollars, and until the balance of the fund falls
19 below one million five hundred thousand dollars, a grant request shall be
20 in an amount meeting the following requirements:

21 (a) For a grant of assistance under section 13-2704.01, at least
22 fifteen thousand dollars but no more than:

23 (i) For a city of the primary class, three million three hundred
24 seventy-five thousand dollars;

25 (ii) For a city with a population of more than forty thousand but
26 less than one hundred thousand inhabitants as determined by the most
27 recent federal decennial census or the most recent revised certified
28 count by the United States Bureau of the Census, one million six hundred
29 eighty-seven thousand dollars;

30 (iii) For a city with a population of more than twenty thousand but
31 less than forty thousand inhabitants as determined by the most recent

1 federal decennial census or the most recent revised certified count by
2 the United States Bureau of the Census, one million one hundred twenty-
3 five thousand dollars;

4 (iv) For a city with a population of more than ten thousand but less
5 than twenty thousand inhabitants as determined by the most recent federal
6 decennial census or the most recent revised certified count by the United
7 States Bureau of the Census, nine hundred thousand dollars; and

8 (v) For a municipality with a population of less than ten thousand
9 inhabitants as determined by the most recent federal decennial census or
10 the most recent revised certified count by the United States Bureau of
11 the Census, five hundred sixty-two thousand dollars; and

12 (b) For a grant of assistance under section 13-2704.02, at least
13 three thousand dollars but no more than fifteen thousand dollars;

14 (3) Assistance from the fund shall not amount to more than fifty
15 percent of the cost of the project for which a grant is requested;

16 (4) A municipality shall not be awarded more than one grant of
17 assistance under section 13-2704.01 and one grant of assistance under
18 section 13-2704.02 in any two-year period; and

19 (5) Any eligible facility for which a grant of assistance under
20 section 13-2704.01 was made shall not be sold for at least five years
21 following the award of such grant of assistance ~~A municipality shall not~~
22 ~~sell any civic, community, or recreation center that received grant funds~~
23 ~~for at least five years under the Civic and Community Center Financing~~
24 ~~Act.~~

25 Sec. 6. Section 13-2707, Revised Statutes Cumulative Supplement,
26 2018, is amended to read:

27 13-2707 (1) The department shall evaluate all applications for
28 grants of assistance under section 13-2704.01 based on the following
29 criteria, which are listed in no particular order of preference:

30 (a) Retention Impact. Funding decisions by the department shall be
31 based on the likelihood of the project retaining existing residents in

1 the community where the project is located, developing, sustaining, and
2 fostering community connections, and enhancing the potential for economic
3 growth in a manner that will sustain the quality of life and promote
4 long-term economic development;

5 (b) New Resident Impact. Funding decisions by the department shall
6 be based on the likelihood of the project attracting new residents to the
7 community where the project is located;

8 (c) Visitor Impact. Funding decisions by the department shall be
9 based on the likelihood of the project enhancing or creating an
10 attraction that would increase the potential of visitors to the community
11 where the project is located from inside and outside the state;

12 (d) Readiness. ~~The applicant's fiscal, and economic, and operational~~
13 capacity of the applicant, and of any nonprofit entity or county that
14 owns the eligible facility jointly with the applicant, to finance and
15 manage the project, and the local share and ability of the applicant to
16 proceed and implement its plan and operate the eligible facility civic
17 center, community center, or recreation center; and

18 (e) Project Planning. Projects with completed technical assistance
19 and feasibility studies shall be preferred to those with no prior
20 planning.

21 (2) The department shall give priority to applications from
22 municipalities which have not received a grant of assistance under
23 section 13-2704.01 within the last ten years.

24 (3) Any grant of assistance under section 13-2704.01 shall be
25 matched at least equally from local sources. At least fifty percent of
26 the local match must be in cash.

27 (4) To receive a grant of assistance under section 13-2704.01, the
28 project for which the grant is requested shall be located in the
29 municipality that applies for the grant or, for any city of the first
30 class, city of the second class, or village, within the municipality's
31 extraterritorial zoning jurisdiction.

1 (5) To receive a grant of assistance under section 13-2704.01, the
2 project for which the grant is requested shall involve an eligible
3 facility that is owned by the municipality applying for the grant, except
4 that a municipality may own an eligible facility jointly with a nonprofit
5 entity or county if the municipality's ownership interest in such
6 eligible facility is at least fifty percent.

7 Sec. 7. Section 13-2707.01, Revised Statutes Cumulative Supplement,
8 2018, is amended to read:

9 13-2707.01 The department shall evaluate all applications for grants
10 of assistance under section 13-2704.02 based on the following criteria:

11 (1) Financial Support. Assistance from the fund shall be matched at
12 least equally from local sources. At least fifty percent of the local
13 match must be in cash. Projects with a higher level of local matching
14 funds shall be preferred as compared to those with a lower level of
15 matching funds; and

16 (2) Project Location. Assistance from the fund shall be for
17 engineering and technical studies related to projects that will be
18 located in the municipality that applies for the grant or, for any city
19 of the first class, city of the second class, or village, in the
20 municipality's extraterritorial zoning jurisdiction.

21 Sec. 8. Section 13-2709, Revised Statutes Cumulative Supplement,
22 2018, is amended to read:

23 13-2709 (1) The department shall submit, as part of the department's
24 annual status report under section 81-1201.11, the following information
25 regarding the Civic and Community Center Financing Act:

26 (a) Information documenting the grants conditionally approved for
27 funding by the Legislature in the following fiscal year;

28 ~~(b) Reasons why a full application was not sent to any municipality~~
29 ~~seeking assistance under the act;~~

30 **(b) (c)** The amount of sales tax revenue generated for the fund
31 pursuant to subsection (6) of section 13-2610 and subsection (9) of

1 section 13-3108, the total amount of grants applied for under the act,
2 the year-end fund balance, the amount of the year-end fund balance which
3 has not been committed to funding grants under the act, and, if all
4 available funds have not been committed to funding grants under the act,
5 an explanation of the reasons why all such funds have not been so
6 committed;

7 ~~(c)~~ ~~(d)~~ The amount of appropriated funds actually expended by the
8 department for the year;

9 ~~(d)~~ ~~(e)~~ The department's current budget for administration of the
10 act and the department's planned use and distribution of funds, including
11 details on the amount of funds to be expended on grants and the amount of
12 funds to be expended by the department for administrative purposes; and

13 ~~(e)~~ ~~(f)~~ Grant summaries, including the applicant municipality,
14 project description, grant amount requested, amount and type of matching
15 funds, and reasons for approval or denial based on evaluation criteria
16 from section 13-2707 or 13-2707.01 for every application seeking
17 assistance under the act.

18 (2) If the amount of the year-end fund balance which has not been
19 committed to funding grants under the act as reported under subdivision
20 ~~(1)(b)~~ ~~(1)(c)~~ of this section, excluding any amount required to be
21 transferred under subsection (3) of section 13-2704, is more than one
22 million dollars, the department shall notify the State Treasurer of the
23 amount in excess of one million dollars. The State Treasurer shall
24 transfer the amount in excess of one million dollars from the Civic and
25 Community Center Financing Fund to the Political Subdivision Recapture
26 Cash Fund.

27 (3) The Political Subdivision Recapture Cash Fund is created and
28 shall consist of money transferred under subsection (2) of this section.
29 Any money in the Political Subdivision Recapture Cash Fund available for
30 investment shall be invested by the state investment officer pursuant to
31 the Nebraska Capital Expansion Act and the Nebraska State Funds

1 Investment Act. By October 1 of each year, the State Treasurer shall
2 distribute the money in the Political Subdivision Recapture Cash Fund to
3 the political subdivisions which have an application for state assistance
4 for an eligible facility or an eligible sports arena facility approved
5 under the Convention Center Facility Financing Assistance Act or the
6 Sports Arena Facility Financing Assistance Act. Each political
7 subdivision shall receive a proportionate share of the amount to be
8 distributed under this subsection, and such proportionate share shall be
9 based on the amount of sales tax revenue generated for the Civic and
10 Community Center Financing Fund during the most recently completed fiscal
11 year by the political subdivision's facility. The Tax Commissioner shall
12 supply the State Treasurer with any information needed to make the
13 distributions required in this subsection.

14 Sec. 9. Original sections 13-2702, 13-2703, 13-2704, 13-2704.01,
15 13-2705, 13-2707, 13-2707.01, and 13-2709, Revised Statutes Cumulative
16 Supplement, 2018, are repealed.