

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 948

Introduced by McDonnell, 5.

Read first time January 04, 2024

Committee: Urban Affairs

- 1 A BILL FOR AN ACT relating to the Community Development Law; to amend
- 2 section 18-2119, Reissue Revised Statutes of Nebraska; to provide
- 3 certain requirements for redevelopment contracts; and to repeal the
- 4 original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 18-2119, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 18-2119 (1) An authority shall, by public notice by publication once
4 each week for two consecutive weeks in a legal newspaper having a general
5 circulation in the city, prior to the consideration of any redevelopment
6 contract proposal relating to real estate owned or to be owned by the
7 authority, invite proposals from, and make available all pertinent
8 information to, private redevelopers or any persons interested in
9 undertaking the redevelopment of an area, or any part thereof, which the
10 governing body has declared to be in need of redevelopment. Such notice
11 shall identify the area, and shall state that such further information as
12 is available may be obtained at the office of the authority. The
13 authority shall consider all redevelopment proposals and the financial
14 and legal ability of the prospective redevelopers to carry out their
15 proposals and may negotiate with any redevelopers for proposals for the
16 purchase or lease of any real property in the redevelopment project area.
17 The authority may accept such redevelopment contract proposal as it deems
18 to be in the public interest and in furtherance of the purposes of the
19 Community Development Law if the authority has, not less than thirty days
20 prior thereto, notified the governing body in writing of its intention to
21 accept such redevelopment contract proposal. Thereafter, the authority
22 may execute such redevelopment contract in accordance with the provisions
23 of section 18-2118 and deliver deeds, leases, and other instruments and
24 take all steps necessary to effectuate such redevelopment contract. In
25 its discretion, the authority may, without regard to the foregoing
26 provisions of this section, dispose of real property in a redevelopment
27 project area to private redevelopers for redevelopment under such
28 reasonable competitive bidding procedures as it shall prescribe, subject
29 to the provisions of section 18-2118.

30 (2) In the case of any real estate owned by a redeveloper, the
31 authority may enter into a redevelopment contract providing for such

1 undertakings as the authority shall determine appropriate. Any such
2 redevelopment contract relating to real estate within an enhanced
3 employment area shall include a statement of the redeveloper's consent
4 with respect to the designation of the area as an enhanced employment
5 area, shall be recorded with respect to the real estate owned by the
6 redeveloper, and shall be binding upon all future owners of such real
7 estate.

8 (3)(a) Prior to entering into a redevelopment contract pursuant to
9 this section for a redevelopment plan that includes the division of taxes
10 as provided in section 18-2147, the authority shall require the
11 redeveloper to certify the following to the authority:

12 (i) Whether the redeveloper has filed or intends to file an
13 application to receive tax incentives under the Nebraska Advantage Act or
14 the Imagine Nebraska Act for a project located or to be located within
15 the redevelopment project area;

16 (ii) Whether such application includes or will include, as one of
17 the tax incentives, a refund of the city's local option sales tax
18 revenue; and

19 (iii) Whether such application has been approved under the Nebraska
20 Advantage Act or the Imagine Nebraska Act.

21 (b) The authority may consider the information provided under
22 subdivision (3)(a) of this section in determining whether to enter into
23 the redevelopment contract.

24 (4) A redevelopment contract for a redevelopment plan or
25 redevelopment project that includes the division of taxes as provided in
26 section 18-2147 shall include a provision requiring that the redeveloper
27 retain copies of all supporting documents that are associated with the
28 redevelopment plan or redevelopment project and that are received or
29 generated by the redeveloper for three years following the end of the
30 last fiscal year in which ad valorem taxes are divided and provide such
31 copies to the city as needed to comply with the city's retention

1 requirements under section 18-2117.04. For purposes of this subsection,
2 supporting document includes any cost-benefit analysis conducted pursuant
3 to section 18-2113 and any invoice, receipt, claim, or contract received
4 or generated by the redeveloper that provides support for receipts or
5 payments associated with the division of taxes.

6 (5) A redevelopment contract for a redevelopment plan that includes
7 the division of taxes as provided in section 18-2147 may include a
8 provision requiring that all ad valorem taxes levied upon real property
9 in a redevelopment project be paid before the taxes become delinquent in
10 order for such redevelopment project to receive funds from such division
11 of taxes.

12 (6) A redevelopment contract for a redevelopment plan or
13 redevelopment project that includes the division of taxes as provided in
14 section 18-2147 shall include a provision requiring that any laborers and
15 mechanics employed by the redeveloper or by any contractor or
16 subcontractor to perform the construction work for the redevelopment
17 project shall be paid wages at rates not less than the prevailing rates
18 for construction of a similar character in the locality in which the
19 redevelopment project is located, as determined by the United States
20 Secretary of Labor in accordance with Subchapter IV of Chapter 31 of
21 Title 40, United States Code.

22 (7)(a) A redevelopment contract for a redevelopment plan or
23 redevelopment project that includes the division of taxes as provided in
24 section 18-2147 shall include the following provisions:

25 (i) A requirement that not less than fifteen percent of the total
26 labor hours of the construction work for the redevelopment project,
27 including such work performed by any contractor or subcontractor, shall
28 be performed by qualified apprentices, subject to any applicable
29 requirements for apprenticeship-to-journeyworker ratios of the United
30 States Department of Labor or the Nebraska Department of Labor; and

31 (ii) A requirement that each redeveloper, contractor, or

1 subcontractor that employs four or more individuals to perform
2 construction work with respect to the redevelopment project shall employ
3 one or more qualified apprentices to perform such work.

4 (b) The redevelopment contract shall provide an exception to the
5 requirements described in subdivision (7)(a) of this section in the event
6 that qualified apprentices have been requested from a registered
7 apprenticeship program and:

8 (i) Such request has been denied, provided that such denial is not
9 the result of a refusal by the redeveloper or any contractors or
10 subcontractors engaged in the performance of construction work with
11 respect to the redevelopment project to comply with the established
12 standards and requirements of the registered apprenticeship program; or

13 (ii) The registered apprenticeship program fails to respond to such
14 request within five business days after the date on which such registered
15 apprenticeship program received such request.

16 (c) For purposes of this subsection:

17 (i) Labor hours means the total number of hours devoted to the
18 performance of construction work by any individual employed by the
19 redeveloper or by any contractor or subcontractor and excludes any hours
20 worked by:

21 (A) Foremen;

22 (B) Superintendents;

23 (C) Owners; or

24 (D) Persons employed in a bona fide executive, administrative, or
25 professional capacity, within the meaning of those terms in 29 C.F.R.
26 part 541;

27 (ii) Qualified apprentice means an individual who (A) is represented
28 by an organization described in section 501(c)(5) of the Internal Revenue
29 Code of 1986 and (B) is employed by a redeveloper or any contractor or
30 subcontractor participating in a registered apprenticeship program whose
31 training facility is in this state; and

1 (iii) Registered apprenticeship program has the same meaning as in
2 26 U.S.C. 3131(e)(3)(B).

3 (8) ~~(6)~~ A redevelopment contract for a redevelopment plan or
4 redevelopment project that includes the division of taxes as provided in
5 section 18-2147 may include any additional requirements deemed necessary
6 by the city to ensure that such plan or project complies with the city's
7 comprehensive development plan, the city's affordable housing action plan
8 required under section 19-5505, city zoning regulations, and any other
9 reasonable planning requirements or goals established by the city.

10 Sec. 2. Original section 18-2119, Reissue Revised Statutes of
11 Nebraska, is repealed.