

LEGISLATIVE BILL 874

Approved by the Governor March 21, 2018

Introduced by Urban Affairs Committee: Wayne, 13, Chairperson; Crawford, 45; Hansen, 26; Howard, 9; Larson, 40; Quick, 35; Groene, 42.

A BILL FOR AN ACT relating to community development; to amend sections 15-1301, 18-2101.01, 18-2104, 18-2107, 18-2109, 18-2113, 18-2116, 18-2117.01, 18-2122, 18-2125, 18-2127, 18-2129, 18-2133, 18-2134, 18-2137, 18-2138, 18-2140, 18-2141, 18-2142.01, 18-2143, 18-2144, 18-2145, and 18-2153, Reissue Revised Statutes of Nebraska, sections 13-2610, 18-2101, 18-2103, 18-2115, 18-2119, 18-2147, and 77-1704.01, Revised Statutes Cumulative Supplement, 2016, and sections 17-405.01 and 18-2102.01, Revised Statutes Supplement, 2017; to change the Community Development Law; to provide for audits by the Auditor of Public Accounts; to redefine terms; to change powers and duties of authorities; to change provisions relating to public hearings and notices; to require certain findings to be documented in writing; to require studies or analyses as prescribed; to change provisions relating to a cost-benefit analysis and a report to the Property Tax Administrator; to require an annual report on tax-increment financing; to restrict the reimbursement of costs for redevelopment projects using tax-increment financing as prescribed; to require retention of certain documents; to change provisions relating to certain redevelopment contracts, tax-increment financing, and certain property tax notices and receipts; to harmonize provisions; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 13-2610, Revised Statutes Cumulative Supplement, 2016, is amended to read:

13-2610 (1) Upon the annual certification under section 13-2609, the State Treasurer shall transfer after the audit the amount certified to the Convention Center Support Fund. The Convention Center Support Fund is created. Transfers may be made from the fund to the General Fund at the direction of the Legislature. Any money in the Convention Center Support Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

(2) It is the intent of the Legislature to appropriate from the fund to any political subdivision for which an application for state assistance under the Convention Center Facility Financing Assistance Act has been approved an amount not to exceed (a) seventy percent of the state sales tax revenue collected by retailers and operators doing business at such facilities on sales at such facilities, state sales tax revenue collected on primary and secondary box office sales of admissions to such facilities, and state sales tax revenue collected by associated hotels, (b) seventy-five million dollars for any one approved project, or (c) the total cost of acquiring, constructing, improving, or equipping the eligible facility. State assistance shall not be used for an operating subsidy or other ancillary facility.

(3)(a) Ten percent of such funds appropriated to a city of the metropolitan class under subsection (2) of this section shall be equally distributed to areas with a high concentration of poverty to (i) showcase important historical aspects of such areas or areas within close geographic proximity of the area with a high concentration of poverty or (ii) assist with the reduction of street and gang violence in such areas.

(b) Each area with a high concentration of poverty that has been distributed funds under subdivision (3)(a) of this section shall establish a development fund and form a committee which shall identify and research potential projects to be completed in the area with a high concentration of poverty or in an area within close geographic proximity of such area if the project would have a significant or demonstrable impact on such area and make final determinations on the use of state sales tax revenue received for such projects.

(c) A committee formed under subdivision (3)(b) of this section shall include the following three members:

(i) The member of the city council whose district includes a majority of the census tracts which each contain a percentage of persons below the poverty line of greater than thirty percent, as determined by the most recent federal decennial census, within the area with a high concentration of poverty;

(ii) The commissioner of the county whose district includes a majority of the census tracts which each contain a percentage of persons below the poverty line of greater than thirty percent, as determined by the most recent federal decennial census, within the area with a high concentration of poverty; and

(iii) A resident of the area with a high concentration of poverty, appointed by the other two members of the committee.

(d) A committee formed under subdivision (3)(b) of this section shall solicit project ideas from the public and shall hold a public hearing in the area with a high concentration of poverty. Notice of a proposed hearing shall be provided in accordance with the procedures for notice of a public hearing

pursuant to section 13 of this act 18-2115. The committee shall research potential projects and make the final determination regarding the annual distribution of funding to such projects.

(e) For purposes of this subsection, an area with a high concentration of poverty means an area within the corporate limits of a city of the metropolitan class consisting of one or more contiguous census tracts, as determined by the most recent federal decennial census, which contain a percentage of persons below the poverty line of greater than thirty percent, and all census tracts contiguous to such tract or tracts, as determined by the most recent federal decennial census.

(4)(a) Ten percent of such funds appropriated to a city of the primary class under subsection (2) of this section may, if the city determines by consent of the city council that such funds are not currently needed for the purposes described in section 13-2604, be used as follows:

(i) For investment in the construction of qualified low-income housing projects as defined in 26 U.S.C. 42, including qualified projects receiving Nebraska affordable housing tax credits under the Affordable Housing Tax Credit Act; or

(ii) If there are no such qualified low-income housing projects as defined in 26 U.S.C. 42 being constructed or expected to be constructed within the political subdivision, for investment in areas with a high concentration of poverty to assist with low-income housing needs.

(b) For purposes of this subsection, an area with a high concentration of poverty means an area within the corporate limits of a city of the primary class consisting of one or more contiguous census tracts, as determined by the most recent American Community Survey 5-Year Estimate, which contain a percentage of persons below the poverty line of greater than thirty percent, and all census tracts contiguous to such tract or tracts, as determined by the most recent American Community Survey 5-Year Estimate.

(5) State assistance to the political subdivision shall no longer be available upon the retirement of the bonds issued to acquire, construct, improve, or equip the facility or any subsequent bonds that refunded the original issue or when state assistance reaches the amount determined under subsection (2) of this section, whichever comes first.

(6) The remaining thirty percent of state sales tax revenue collected by retailers and operators doing business at such facilities on sales at such facilities, state sales tax revenue collected on primary and secondary box office sales of admissions to such facilities, and state sales tax revenue collected by associated hotels, shall be appropriated by the Legislature to the Civic and Community Center Financing Fund. Upon the annual certification required pursuant to section 13-2609 and following the transfer to the Convention Center Support Fund required pursuant to subsection (1) of this section, the State Treasurer shall transfer an amount equal to the remaining thirty percent from the Convention Center Support Fund to the Civic and Community Center Financing Fund.

(7) Any municipality that has applied for and received a grant of assistance under the Civic and Community Center Financing Act may not receive state assistance under the Convention Center Facility Financing Assistance Act.

Sec. 2. Section 15-1301, Reissue Revised Statutes of Nebraska, is amended to read:

15-1301 As used in sections 15-1301 to 15-1307, unless the context otherwise requires:

(1) City shall mean any city of the primary class;

(2) Federal government shall mean the United States of America, or any agency or instrumentality, corporate or otherwise, of the United States of America; and

(3) Community development activity shall mean any activity authorized in the Community Development Law sections 18-2101 to 18-2144, construction of community facilities, conservation and rehabilitation of property, neighborhood development, code enforcement, and all of the jurisdiction and authority granted a housing authority under Chapter 71, article 15.

Sec. 3. Section 17-405.01, Revised Statutes Supplement, 2017, is amended to read:

17-405.01 (1) Except as provided in subsection (2) of this section and section 17-407, the mayor and city council of any city of the second class or the chairperson and members of the village board of trustees may by ordinance, except as provided in sections 13-1111 to 13-1118, at any time, include within the corporate limits of such city or village any contiguous or adjacent lands, lots, tracts, streets, or highways as are urban or suburban in character, and in such direction as may be deemed proper. Such grant of power shall not be construed as conferring power to extend the limits of any city of the second class or village over any agricultural lands which are rural in character.

(2) The mayor and city council of any city of the second class or the chairperson and members of the village board of trustees may, by ordinance, annex any lands, lots, tracts, streets, or highways which constitute a redevelopment project area so designated by the city or village or its community redevelopment authority in accordance with the provisions of the Community Development Law and sections 18-2145 to 18-2154 when such annexation is for the purpose of implementing a lawfully adopted redevelopment plan containing a provision dividing ad valorem taxes as provided in subsection (1) of section 18-2147 and which will involve the construction or development of an agricultural processing facility, notwithstanding that such lands, lots, tracts, streets, or highways are not contiguous or adjacent or are not urban or

suburban in character. Such annexation shall comply with all other provisions of law relating to annexation generally for cities of the second class and villages. The city or village shall not, in consequence of the annexation under this subsection of any noncontiguous land, exercise the authority granted to it by statute to extend its extraterritorial zoning jurisdiction beyond its corporate boundaries for purposes of planning, zoning, or subdivision development without the agreement of any other city, village, or county currently exercising zoning jurisdiction over the area surrounding the annexed redevelopment project area. The annexation of any noncontiguous land undertaken pursuant to this subsection shall not result in any change in the service area of any electric utility without the express agreement of the electric utility serving the annexed noncontiguous area at the time of annexation, except that at such time following the annexation of the noncontiguous area as the city or village lawfully annexes sufficient intervening territory so as to directly connect the noncontiguous area to the main body of the city or village, such noncontiguous area shall, solely for the purposes of section 70-1008, be treated as if it had been annexed by the city or village on the date upon which the connecting intervening territory had been formally annexed.

(3) For purposes of subsection (2) of this section, agricultural processing facility means a plant or establishment where value is added to agricultural commodities through processing, fabrication, or other means and where eighty percent or more of the direct sales from the facility are to other than the ultimate consumer of the processed commodities. A facility shall not qualify as an agricultural processing facility unless its construction or development involves the investment of more than one million dollars derived from nongovernmental sources.

Sec. 4. Section 18-2101, Revised Statutes Cumulative Supplement, 2016, is amended to read:

18-2101 Sections 18-2101 to 18-2154 and sections 13, 16, 17, and 18 of this act 18-2144 shall be known and may be cited as the Community Development Law.

Sec. 5. Section 18-2101.01, Reissue Revised Statutes of Nebraska, is amended to read:

18-2101.01 Cities of all classes and villages of this state are hereby granted power and authority to create a community development agency by ordinance, which agency may consist of the governing body of the city or village or a new or existing municipal division or department, or combination thereof. When such an agency is created, it shall function in the manner prescribed by ordinance and may exercise all of the power and authority granted to a community redevelopment authority under the Community Development Law in sections 18-2101 to 18-2144. Cities of all classes and villages of this state are also granted power and authority to do all community development activities, and to do all things necessary to cooperate with the federal government in all matters relating to community development program activities as a grantee, or as an agent or otherwise, under the provisions of the federal Housing and Community Development Act of 1974, as amended through the Housing and Community Development Amendments of 1981. Whenever such a city exercises the power conferred in this section, it may levy taxes for the exercise of such jurisdiction and authority and may issue general obligation bonds, general obligation notes, revenue bonds, and revenue notes including general obligation and revenue refunding bonds and notes for the purposes set forth in the Community Development Law such sections and under the power granted to any authority described.

Sec. 6. Section 18-2102.01, Revised Statutes Supplement, 2017, is amended to read:

18-2102.01 Cities of all classes and villages of this state are hereby granted power and authority to create community redevelopment authorities and limited community redevelopment authorities.

(1) Whenever an authority or limited authority is created it shall bear the name of the city creating it and shall be legally known as the Community Redevelopment Authority of the City (or Village) of (name of city or village) or the Limited Community Redevelopment Authority of the City (or Village) of (name of city or village).

(2) When it is determined by the governing body of any city by ordinance in the exercise of its discretion that it is expedient to create a community redevelopment authority or limited community redevelopment authority, the mayor of the city or, if the mayor shall fail to act within ninety days after the passage of the ordinance, the president or other presiding officer other than the mayor of the governing body, with the approval of the governing body of the city, shall appoint five or seven persons who shall constitute the authority or the limited authority. The terms of office of the members of a five-member authority initially appointed shall be for one year, two years, three years, four years, and five years, as designated by the mayor, president, other presiding officer, or city manager in making the respective appointments. The terms of office of the members of a seven-member authority initially appointed shall be one member each for one year, two years, and five years, and two members each for three years and four years, as designated by the mayor, president, other presiding officer, or city manager in making the respective appointments. As the terms of the members of the authority expire in cities not having the city manager form of government, the mayor, with the approval of the governing body of the city, shall appoint or reappoint a member of the authority for a term of five years to succeed the member whose term expires. In cities having the city manager form of government, the city manager shall

appoint or reappoint the members with the approval of the governing body. The terms of office of the members of a limited community redevelopment authority shall be for the duration of only one single specific limited pilot project authorized in the ordinance creating the limited community redevelopment authority, and the terms of the members of a limited community redevelopment authority shall expire upon the completion of the single specific limited pilot project authorized in the ordinance creating the limited community redevelopment authority.

(3) A governing body may at its option submit an ordinance which creates a community redevelopment authority or a limited community redevelopment authority to the electors of the city for approval by a majority vote of the electors voting on the ordinance. On submitting the ordinance for approval, the governing body is authorized to call, by the ordinance, a special or general election and to submit, after thirty days' notice of the time and place of holding the election and according to the manner and method otherwise provided by law for the calling, conducting, canvassing, and certifying of the result of city elections on the submission of propositions to the electors, the proposition to be stated on the ballot as follows:

Shall the City (or Village) of (name of city or village) create a Community Redevelopment Authority of the City (or Village) of (name of city or village)?

- ... Yes
- ... No.

When the ordinance submitted to the electors for approval by a majority vote of the electors voting on the ordinance is to create a limited community redevelopment authority the proposition shall be stated on the ballot as follows:

Shall the City (or Village) of (name of city or village) create a Limited Community Redevelopment Authority of the City (or Village) of (name of city or village)?

- ... Yes
- ... No.

(4) Vacancies shall be filled for any unexpired term in the same manner as the original appointment. Members of the authority so appointed shall hold office until their successors have been appointed and qualified. Members of a limited authority shall hold office as provided in this section. All members of the authority shall serve without compensation, but shall be entitled to be reimbursed for all necessary expenses incurred.

(5) ~~(3)~~ Any authority established under this section shall organize by electing one of its members chairperson and another vice-chairperson, shall have power to employ counsel, a director who shall be ex officio secretary of the authority, and such other officers and employees as may be desired, and shall fix the term of office, qualifications, and compensation of each. The holder of the office of community redevelopment administrator or coordinator of the city may, but need not, be appointed the director but at no additional compensation by the authority. Community redevelopment authorities of cities of the first and second class and villages may secure the services of a director, community redevelopment administrator, or coordinator, and other officers and employees as may be desired through contract with the Department of Economic Development upon terms which are mutually agreeable. Any authority established under this section may validly and effectively act on all matters requiring a resolution or other official action by the concurrence of three members of a five-member authority or four members of a seven-member authority present and voting at a meeting of the authority. Orders, requisitions, warrants, and other documents may be executed by the chairperson or vice-chairperson or by or with others designated in its bylaws.

(6) ~~(4)~~ No member or employee of any authority established under this section shall have any interest directly or indirectly in any contract for property, materials, or services to be required by such authority. No member of any authority established under this section shall also be a member of any planning commission created under section 19-925.

(7) ~~(5)~~ The authority shall keep an accurate account of all its activities and of all receipts and disbursements and make an annual report of such activities, receipts, and disbursements to the governing body of the city.

(8) ~~(6)~~ The governing body of a city creating a community redevelopment authority or a limited community redevelopment authority is hereby authorized to appropriate and loan to the authority a sum not exceeding ten thousand dollars for the purposes of paying expenses of organizing and supervising the work of the authority at the beginning of its activities. The loan shall be authorized by resolution of the governing body which shall set forth the terms and time of the repayment of the loan. The loan may be appropriated out of the general funds or any sinking fund.

(9) ~~(7)~~ All income, revenue, profits, and other funds received by any authority established under this section from whatever source derived, or appropriated by the city, or realized from tax receipts or comprised in the special revenue fund of the city designated for the authority or from the proceeds of bonds, or otherwise, shall be deposited with the city treasurer as ex officio treasurer of the authority without commingling the money with any other money under his or her control and disbursed by him or her by check, draft, or order only upon warrants, orders, or requisitions by the chairperson of the authority or other person authorized by the authority which shall state distinctly the purpose for which the same are drawn. A permanent record shall be kept by the authority of all warrants, orders, or requisitions so drawn,

showing the date, amount, consideration, and to whom payable. When paid, the same shall be canceled and kept on file by the city treasurer. The books of any authority established under this section shall from time to time be audited upon the order of the governing body of the municipality in such manner as it may direct, and all books and records of the authority shall at all times be open to public inspection. The Auditor of Public Accounts may audit, or cause to be audited, any authority established under this section or any redevelopment plan of such authority when the Auditor of Public Accounts determines such audit is necessary or when requested by the governing body, and such audit shall be at the expense of the authority. The authority may contract with the holders of any of its bonds or notes as to collection, custody, securing investment, and payment of any money of the authority or any money held in trust or otherwise for the payment of bonds or notes or in any way to secure bonds or notes. The authority may carry out the contract notwithstanding that such contract may be inconsistent with the previous provisions of this subdivision. All banks, capital stock financial institutions, qualifying mutual financial institutions, and trust companies are hereby authorized to give security for the deposits of money of any authority established under the provisions of this section pursuant to the Public Funds Deposit Security Act. Section 77-2366 applies to deposits in capital stock financial institutions. Section 77-2365.01 shall apply to deposits in qualifying mutual financial institutions.

Sec. 7. Section 18-2103, Revised Statutes Cumulative Supplement, 2016, is amended to read:

18-2103 For purposes of the Community Development Law, unless the context otherwise requires:

(1) Area of operation means and includes the area within the corporate limits of the city and such land outside the city as may come within the purview of sections 18-2123 and 18-2123.01;

(2) Authority means any community redevelopment authority created pursuant to section 18-2102.01 and a city or village which has created a community development agency pursuant to the provisions of section 18-2101.01 and does not include a limited community redevelopment authority;

(3) Blighted area means an area (a) which, by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use and (b) in which there is at least one of the following conditions: (i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average; (ii) the average age of the residential or commercial units in the area is at least forty years; (iii) more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time; (iv) the per capita income of the area is lower than the average per capita income of the city or village in which the area is designated; or (v) the area has had either stable or decreasing population based on the last two decennial censuses. In no event shall a city of the metropolitan, primary, or first class designate more than thirty-five percent of the city as blighted, a city of the second class shall not designate an area larger than fifty percent of the city as blighted, and a village shall not designate an area larger than one hundred percent of the village as blighted. A redevelopment project involving a formerly used defense site as authorized under section 18-2123.01 shall not count towards the percentage limitations contained in this subdivision;

(4) Bonds means any bonds, including refunding bonds, notes, interim certificates, debentures, or other obligations issued pursuant to the Community Development Law except for bonds issued pursuant to section 18-2142.04;

(5) Business means any private business located in an enhanced employment area;

(6) City means any city or incorporated village in the state;

(7) Clerk means the clerk of the city or village;

(8) Community redevelopment area means a substandard and blighted area which the community redevelopment authority designates as appropriate for a renewal project;

(9) Employee means a person employed at a business as a result of a redevelopment project;

(10) Employer-provided health benefit means any item paid for by the employer in total or in part that aids in the cost of health care services, including, but not limited to, health insurance, health savings accounts, and employer reimbursement of health care costs;

(11) Enhanced employment area means an area not exceeding six hundred acres (a) within a community redevelopment area which is designated by an authority as eligible for the imposition of an occupation tax or (b) not within a community redevelopment area as may be designated under section 18-2142.04;

(12) Equivalent employees means the number of employees computed by (a)

dividing the total hours to be paid in a year by (b) the product of forty times the number of weeks in a year;

(13) Federal government means the United States of America, or any agency or instrumentality, corporate or otherwise, of the United States of America;

(14) Governing body or local governing body means the city council, board of trustees, or other legislative body charged with governing the municipality;

(15) Limited community redevelopment authority means a community redevelopment authority created pursuant to section 18-2102.01 having only one single specific limited pilot project authorized;

(16) Mayor means the mayor of the city or chairperson of the board of trustees of the village;

(17) New investment means the value of improvements to real estate made in an enhanced employment area by a developer or a business;

(18) Number of new employees means the number of equivalent employees that are employed at a business as a result of the redevelopment project during a year that are in excess of the number of equivalent employees during the year immediately prior to the year that a redevelopment plan is adopted;

(19) Obligee means any bondholder, agent, or trustee for any bondholder, or lessor demising to any authority, established pursuant to section 18-2102.01, property used in connection with a redevelopment project, or any assignee or assignees of such lessor's interest or any part thereof, and the federal government when it is a party to any contract with such authority;

(20) Occupation tax means a tax imposed under section 18-2142.02;

(21) Person means any individual, firm, partnership, limited liability company, corporation, company, association, joint-stock association, or body politic and includes any trustee, receiver, assignee, or other similar representative thereof;

(22) Public body means the state or any municipality, county, township, board, commission, authority, district, or other political subdivision or public body of the state;

(23) Real property means all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage, or otherwise, and the indebtedness secured by such liens;

(24) Redeveloper means any person, partnership, or public or private corporation or agency which enters or proposes to enter into a redevelopment contract;

(25) Redevelopment contract means a contract entered into between an authority and a redeveloper for the redevelopment of an area in conformity with a redevelopment plan;

(26) Redevelopment plan means a plan, as it exists from time to time for one or more community redevelopment areas, or for a redevelopment project, which (a) conforms to the general plan for the municipality as a whole and (b) is sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the community redevelopment area, zoning and planning changes, if any, land uses, maximum densities, and building requirements;

~~(1) An authority means any community redevelopment authority created pursuant to section 18-2102.01 and a city or village which has created a community development agency pursuant to the provisions of section 18-2101.01 and does not include a limited community redevelopment authority;~~

~~(2) Limited community redevelopment authority means a community redevelopment authority created pursuant to section 18-2102.01 having only one single specific limited pilot project authorized;~~

~~(3) City means any city or incorporated village in the state;~~

~~(4) Public body means the state or any municipality, county, township, board, commission, authority, district, or other political subdivision or public body of the state;~~

~~(5) Governing body or local governing body means the city council, board of trustees, or other legislative body charged with governing the municipality;~~

~~(6) Mayor means the mayor of the city or chairperson of the board of trustees of the village;~~

~~(7) Clerk means the clerk of the city or village;~~

~~(8) Federal government means the United States of America, or any agency or instrumentality, corporate or otherwise, of the United States of America;~~

~~(9) Area of operation means and includes the area within the corporate limits of the city and such land outside the city as may come within the purview of sections 18-2123 and 18-2123.01;~~

~~(10) Substandard areas means an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare;~~

~~(11) Blighted area means an area, which (a) by reason of the presence of a substantial number of deteriorated or deteriorating structures, existence of defective or inadequate street layout, faulty lot layout in relation to size,~~

~~adequacy, accessibility, or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations, or constitutes an economic or social liability and is detrimental to the public health, safety, morals, or welfare in its present condition and use and (b) in which there is at least one of the following conditions: (i) Unemployment in the designated area is at least one hundred twenty percent of the state or national average; (ii) the average age of the residential or commercial units in the area is at least forty years; (iii) more than half of the plotted and subdivided property in an area is unimproved land that has been within the city for forty years and has remained unimproved during that time; (iv) the per capita income of the area is lower than the average per capita income of the city or village in which the area is designated; or (v) the area has had either stable or decreasing population based on the last two decennial censuses. In no event shall a city of the metropolitan, primary, or first class designate more than thirty-five percent of the city as blighted, a city of the second class shall not designate an area larger than fifty percent of the city as blighted, and a village shall not designate an area larger than one hundred percent of the village as blighted. A redevelopment project involving a formerly used defense site as authorized under section 18-2123.01 shall not count towards the percentage limitations contained in this subdivision;~~

~~(27) (12) Redevelopment project means any work or undertaking in one or more community redevelopment areas: (a) To acquire substandard and blighted areas or portions thereof, including lands, structures, or improvements the acquisition of which is necessary or incidental to the proper clearance, development, or redevelopment of such substandard and blighted areas; (b) to clear any such areas by demolition or removal of existing buildings, structures, streets, utilities, or other improvements thereon and to install, construct, or reconstruct streets, utilities, parks, playgrounds, public spaces, public parking facilities, sidewalks or moving sidewalks, convention and civic centers, bus stop shelters, lighting, benches or other similar furniture, trash receptacles, shelters, skywalks and pedestrian and vehicular overpasses and underpasses, enhancements to structures in the redevelopment plan area which exceed minimum building and design standards in the community and prevent the recurrence of substandard and blighted conditions, and any other necessary public improvements essential to the preparation of sites for uses in accordance with a redevelopment plan; (c) to sell, lease, or otherwise make available land in such areas for residential, recreational, commercial, industrial, or other uses, including parking or other facilities functionally related or subordinate to such uses, or for public use or to retain such land for public use, in accordance with a redevelopment plan; and may also include the preparation of the redevelopment plan, the planning, survey, and other work incident to a redevelopment project and the preparation of all plans and arrangements for carrying out a redevelopment project; (d) to dispose of all real and personal property or any interest in such property, or assets, cash, or other funds held or used in connection with residential, recreational, commercial, industrial, or other uses, including parking or other facilities functionally related or subordinate to such uses, or any public use specified in a redevelopment plan or project, except that such disposition shall be at its fair value for uses in accordance with the redevelopment plan; (e) to acquire real property in a community redevelopment area which, under the redevelopment plan, is to be repaired or rehabilitated for dwelling use or related facilities, repair or rehabilitate the structures, and resell the property; and (f) to carry out plans for a program of voluntary or compulsory repair, rehabilitation, or demolition of buildings or other improvements in accordance with the redevelopment plan;~~

~~(28) Redevelopment project valuation means the valuation for assessment of the taxable real property in a redevelopment project last certified for the year prior to the effective date of the provision authorized in section 18-2147; and~~

~~(29) Substandard area means an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, (which cannot be remedied through construction of prisons), and is detrimental to the public health, safety, morals, or welfare.~~

~~(13) Redevelopment plan means a plan, as it exists from time to time for one or more community redevelopment areas, or for a redevelopment project, which (a) conforms to the general plan for the municipality as a whole and (b) is sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the community redevelopment area, zoning and planning changes, if any, land uses, maximum densities, and building requirements;~~

~~(14) Redeveloper means any person, partnership, or public or private corporation or agency which enters or proposes to enter into a redevelopment contract;~~

~~(15) Redevelopment contract means a contract entered into between an authority and a redeveloper for the redevelopment of an area in conformity with a redevelopment plan;~~

~~(16) Real property means all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage, or otherwise, and the indebtedness secured by such liens;~~

~~(17) Bonds means any bonds, including refunding bonds, notes, interim certificates, debentures, or other obligations issued pursuant to the Community Development Law except for bonds issued pursuant to section 18-2142.04;~~

~~(18) Obligee means any bondholder, agent, or trustee for any bondholder, or lessor demising to any authority, established pursuant to section 18-2102.01, property used in connection with a redevelopment project, or any assignee or assignees of such lessor's interest or any part thereof, and the federal government when it is a party to any contract with such authority;~~

~~(19) Person means any individual, firm, partnership, limited liability company, corporation, company, association, joint-stock association, or body politic and includes any trustee, receiver, assignee, or other similar representative thereof;~~

~~(20) Community redevelopment area means a substandard and blighted area which the community redevelopment authority designates as appropriate for a renewal project;~~

~~(21) Redevelopment project valuation means the valuation for assessment of the taxable real property in a redevelopment project last certified for the year prior to the effective date of the provision authorized in section 18-2147;~~

~~(22) Enhanced employment area means an area not exceeding six hundred acres (a) within a community redevelopment area which is designated by an authority as eligible for the imposition of an occupation tax or (b) not within a community redevelopment area as may be designated under section 18-2142.04;~~

~~(23) Employee means a person employed at a business as a result of a redevelopment project;~~

~~(24) Employer-provided health benefit means any item paid for by the employer in total or in part that aids in the cost of health care services, including, but not limited to, health insurance, health savings accounts, and employer reimbursement of health care costs;~~

~~(25) Equivalent employees means the number of employees computed by (a) dividing the total hours to be paid in a year by (b) the product of forty times the number of weeks in a year;~~

~~(26) Business means any private business located in an enhanced employment area;~~

~~(27) New investment means the value of improvements to real estate made in an enhanced employment area by a developer or a business;~~

~~(28) Number of new employees means the number of equivalent employees that are employed at a business as a result of the redevelopment project during a year that are in excess of the number of equivalent employees during the year immediately prior to the year that a redevelopment plan is adopted; and~~

~~(29) Occupation tax means a tax imposed under section 18-2142.02.~~

Sec. 8. Section 18-2104, Reissue Revised Statutes of Nebraska, is amended to read:

18-2104 The governing body of a city, to the greatest extent it deems to be feasible in carrying out the provisions of the Community Development Law sections 18-2101 to 18-2144, shall afford maximum opportunity, consistent with the sound needs of the city as a whole, to the rehabilitation or redevelopment of the community redevelopment area by private enterprises. The governing body of a city shall give consideration to this objective in exercising its powers under the Community Development Law sections 18-2101 to 18-2144, including the formulation of a workable program, the approval of community redevelopment plans consistent with the general plan for the development of the city, the exercise of its zoning powers, the enforcement of other laws, codes, and regulations, relating to the use of land and the use and occupancy of buildings and improvements, the disposition of any property acquired, and the providing of necessary public improvements.

Sec. 9. Section 18-2107, Reissue Revised Statutes of Nebraska, is amended to read:

18-2107 An authority shall constitute a public body corporate and politic, exercising public and essential governmental functions and having all the powers necessary or convenient to carry out and effectuate the purposes and provisions of the Community Development Law ~~and sections 18-2147 to 18-2151~~, including the power:

(1) To sue and to be sued; to have a seal and to alter the same at pleasure; to have perpetual succession; to make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the authority; and to make and from time to time amend and repeal bylaws, rules, and regulations not inconsistent with the Community Development Law;

(2) To prepare or cause to be prepared and recommend redevelopment plans to the governing body of the city and to undertake and carry out redevelopment projects within its area of operation;

(3) To arrange or contract for the furnishing or repair, by any person or

agency, public or private, of services, privileges, works, streets, roads, public utilities, or other facilities for or in connection with a redevelopment project; and, notwithstanding anything to the contrary contained in the Community Development Law or any other provision of law, to agree to any conditions that it may deem reasonable and appropriate attached to federal financial assistance and imposed pursuant to federal law relating to the determination of prevailing salaries or wages or compliance with labor standards, in the undertaking or carrying out of a redevelopment project, and to include in any contract let in connection with such a project provisions to fulfill such federally imposed conditions as it may deem reasonable and appropriate;

(4) Within its area of operation, to purchase, lease, obtain options upon, or acquire by gift, grant, bequest, devise, eminent domain, or otherwise any real or personal property or any interest therein, together with any improvements thereon, necessary or incidental to a redevelopment project; to hold, improve, clear, or prepare for redevelopment any such property; to sell, lease for a term not exceeding ninety-nine years, exchange, transfer, assign, subdivide, retain for its own use, mortgage, pledge, hypothecate, or otherwise encumber or dispose of any real or personal property or any interest therein; to enter into contracts with redevelopers of property containing covenants, restrictions, and conditions regarding the use of such property for residential, commercial, industrial, or recreational purposes or for public purposes in accordance with the redevelopment plan and such other covenants, restrictions, and conditions as the authority may deem necessary to prevent a recurrence of substandard and blighted areas or to effectuate the purposes of the Community Development Law; to make any of the covenants, restrictions, or conditions of the foregoing contracts covenants running with the land and to provide appropriate remedies for any breach of any such covenants or conditions, including the right in the authority to terminate such contracts and any interest in the property created pursuant thereto; to borrow money, issue bonds, and provide security for loans or bonds; to establish a revolving loan fund; to insure or provide for the insurance of any real or personal property or the operation of the authority against any risks or hazards, including the power to pay premiums on any such insurance; to enter into any contracts necessary to effectuate the purposes of the Community Development Law; and to provide grants, loans, or other means of financing to public or private parties in order to accomplish the rehabilitation or redevelopment in accordance with a redevelopment plan, except that the proceeds from indebtedness incurred for the purpose of financing a redevelopment project that includes the division of taxes as provided in section 18-2147 shall not be used to establish a revolving loan fund. No statutory provision with respect to the acquisition, clearance, or disposition of property by other public bodies shall restrict an authority exercising powers hereunder, in such functions, unless the Legislature shall specifically so state;

(5) To invest any funds held in reserves or sinking funds or any funds not required for immediate disbursement in property or securities in which savings banks or other banks may legally invest funds subject to their control; and to redeem its bonds at the redemption price established therein or to purchase its bonds at less than redemption price, and such bonds redeemed or purchased shall be canceled;

(6) To borrow money and to apply for and accept advances, loans, grants, contributions, and any other form of financial assistance from the federal government, from the state, county, municipality, or other public body, or from any sources, public or private, including charitable funds, foundations, corporations, trusts, or bequests, for purposes of the Community Development Law, to give such security as may be required, and to enter into and carry out contracts in connection therewith; and notwithstanding any other provision of law, to include in any contract for financial assistance with the federal government for a redevelopment project such conditions imposed pursuant to federal law as the authority may deem reasonable and appropriate and which are not inconsistent with the purposes of the Community Development Law;

(7) Acting through one or more members of an authority or other persons designated by the authority, to conduct examinations and investigations and to hear testimony and take proof under oath at public or private hearings on any matter material for its information; to administer oaths and to issue commissions for the examination of witnesses who are outside of the state or unable to attend before the authority or excused from attendance; and to make available to appropriate agencies or public officials, including those charged with the duty of abating or requiring the correction of nuisances or like conditions, demolishing unsafe or insanitary structures, or eliminating conditions of blight within its area of operation, its findings and recommendations with regard to any building or property where conditions exist which are dangerous to the public health, safety, morals, or welfare;

(8) Within its area of operation, to make or have made all surveys, appraisals, studies, and plans, but not including the preparation of a general plan for the community, necessary to the carrying out of the purposes of the Community Development Law and to contract or cooperate with any and all persons or agencies, public or private, in the making and carrying out of such surveys, appraisals, studies, and plans;

(9) To prepare plans and provide reasonable assistance for the relocation of families, business concerns, and others displaced from a redevelopment project area to permit the carrying out of the redevelopment project to the extent essential for acquiring possession of and clearing such area or parts

thereof; and to make relocation payments to or with respect to such persons for moving expenses and losses of property for which reimbursement or compensation is not otherwise made, including the making of such payments financed by the federal government;

(10) To make such expenditures as may be necessary to carry out the purposes of the Community Development Law; and to make expenditures from funds obtained from the federal government without regard to any other laws pertaining to the making and approval of appropriations and expenditures;

(11) To certify on or before September 20 of each year to the governing body of the city the amount of tax to be levied for the succeeding fiscal year for community redevelopment purposes, not to exceed two and six-tenths cents on each one hundred dollars upon the taxable value of the taxable property in such city, which levy is subject to allocation under section 77-3443 on and after July 1, 1998. The governing body shall levy and collect the taxes so certified at the same time and in the same manner as other city taxes are levied and collected, and the proceeds of such taxes, when due and as collected, shall be set aside and deposited in the special account or accounts in which other revenue of the authority is deposited. Such proceeds shall be employed to assist in the defraying of any expenses of redevelopment plans and projects, including the payment of principal and interest on any bonds issued to pay the costs of any such plans and projects;

(12) To exercise all or any part or combination of powers granted in this section;

(13) To plan, undertake, and carry out neighborhood development programs consisting of redevelopment project undertakings and activities in one or more community redevelopment areas which are planned and carried out on the basis of annual increments in accordance with the Community Development Law ~~and sections 18-2145 and 18-2146~~ for planning and carrying out redevelopment projects;

(14) To agree with the governing body of the city for the imposition of an occupation tax for an enhanced employment area; and

(15) To demolish any structure determined by the governing body of the city to be unsafe or unfit for human occupancy in accordance with section 18-1722.01.

Sec. 10. Section 18-2109, Reissue Revised Statutes of Nebraska, is amended to read:

18-2109 (1) An authority shall not prepare a redevelopment plan for a redevelopment project area unless the governing body of the city in which such area is located has, by resolution adopted after the public hearings required under this section a public hearing with notice provided as specified in section 18-2115, declared such area to be a substandard and blighted area in need of redevelopment.

(2) Prior to making such declaration, the The governing body of the city shall conduct or cause to be conducted a study or an analysis on whether the area is substandard and blighted and shall submit the question of whether such an area is substandard and blighted to the planning commission or board of the city for its review and recommendation prior to making its declaration. The planning commission or board shall hold a public hearing on the question after giving notice of the hearing as provided in section 13 of this act. Such notice shall include a map of sufficient size to show the area to be declared substandard and blighted or information on where to find such map and shall provide information on where to find copies of the substandard and blighted study or analysis conducted pursuant to this subsection. The planning commission or board shall submit its written recommendations to the governing body of the city within thirty days after the public hearing receipt of the request. Upon receipt of the recommendations or after thirty days if no recommendation is received, the governing body may make its declaration.

(3) Upon receipt of the recommendations of the planning commission or board, or if no recommendations are received within thirty days after the public hearing required under subsection (2) of this section, the governing body shall hold a public hearing on the question of whether the area is substandard and blighted after giving notice of the hearing as provided in section 13 of this act. Such notice shall include a map of sufficient size to show the area to be declared substandard and blighted or information on where to find such map and shall provide information on where to find copies of the substandard and blighted study or analysis conducted pursuant to subsection (2) of this section. At the public hearing, all interested parties shall be afforded a reasonable opportunity to express their views respecting the proposed declaration. After such hearing, the governing body of the city may make its declaration.

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

Sec. 11. Section 18-2113, Reissue Revised Statutes of Nebraska, is amended to read:

18-2113 (1) Prior to recommending a redevelopment plan to the governing body for approval, an authority shall consider whether the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, a coordinated, adjusted, and harmonious development of the city and its environs which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and the general welfare, as well as efficiency and economy in the process of development, including, among

other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic, and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage, and other public utilities, schools, parks, recreational and community facilities, and other public requirements, the promotion of sound design and arrangement, the wise and efficient expenditure of public funds, and the prevention of the recurrence of insanitary or unsafe dwelling accommodations or conditions of blight.

(2) The authority shall conduct a cost-benefit analysis for each redevelopment project whose redevelopment plan includes the division of taxes as provided in use of funds authorized by section 18-2147. In conducting the cost-benefit analysis, the authority shall use a cost-benefit model developed for use by local projects. Any cost-benefit model used by the authority shall consider and analyze the following factors:

(a) Tax shifts resulting from the division of taxes as provided in approval of the use of funds pursuant to section 18-2147;

(b) Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project;

(c) Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project;

(d) Impacts on other employers and employees within the city or village and the immediate area that are located outside of the boundaries of the area of the redevelopment project; ~~and~~

(e) Impacts on the student populations of school districts within the city or village; and

(f) Any other impacts determined by the authority to be relevant to the consideration of costs and benefits arising from the redevelopment project.

(3) Copies of each cost-benefit analysis conducted pursuant to subsection (2) of this section shall be posted on the city's public web site or made available for public inspection at a location designated by the city.

Sec. 12. Section 18-2115, Revised Statutes Cumulative Supplement, 2016, is amended to read:

18-2115 (1) The planning commission or board of the city shall hold a public hearing on any redevelopment plan or substantial modification thereof after giving notice of the hearing as provided in section 13 of this act. Such notice shall specifically identify the area to be redeveloped under the plan, shall include a map of sufficient size to show the area to be redeveloped or information on where to find such map, and shall provide information on where to find copies of any cost-benefit analysis conducted pursuant to section 18-2113.

(2) After the hearing required under subsection (1) of this section, the (1) The governing body of the city shall hold a public hearing on any redevelopment plan or substantial modification thereof recommended by the authority, after giving reasonable public notice of the hearing as provided in section 13 of this act. Such notice thereof by publication at least once a week for two consecutive weeks in a legal newspaper of general circulation in the community, the time of the hearing to be at least ten days from the last publication. The notice shall describe the time, date, place, and purpose of the hearing and shall specifically identify the area to be redeveloped under the plan. All interested parties shall be afforded at such public hearing a reasonable opportunity to express their views respecting the proposed redevelopment plan. (2) Except as provided in subsection (3) of this section, the governing body of the city or such other division of the city or person as the governing body shall designate shall, at least ten days prior to the public hearing required by subsection (1) of this section, provide notice of the hearing to each registered neighborhood association whose area of representation is located in whole or in part within a one-mile radius of the area to be redeveloped in the manner requested by the association and mail notice of the hearing by first-class United States mail, postage prepaid, or by certified mail to the president or chairperson of the governing body of each county, school district, community college, educational service unit, and natural resources district in which the real property subject to such plan or major modification is located and whose property tax receipts would be directly affected. The notice shall set out the time, date, place, and purpose of the hearing and shall include a map of sufficient size to show the area to be redeveloped or information on where to find such map, and shall provide information on where to find copies of any cost-benefit analysis conducted pursuant to section 18-2113. At the public hearing, all interested parties shall be afforded a reasonable opportunity to express their views respecting the proposed redevelopment plan.

(3) If the planning board or planning commission of the city will conduct a public hearing on the redevelopment plan or substantial modification thereof, the governing body of the city or such other division of the city or person as the governing body shall designate shall, at least ten days prior to the public hearing, provide notice of the hearing to each registered neighborhood association whose area of representation is located in whole or in part within a one-mile radius of the area to be redeveloped in the manner requested by the association and mail notice of the hearing by first-class United States mail, postage prepaid, or by certified mail to the president or chairperson of the governing body of each county, school district, community college, educational service unit, and natural resources district in which the real property subject to such plan or major modification is located and whose property tax receipts would be directly affected. The notice shall set out the time, date, place, and

purpose of the hearing and shall include a map of sufficient size to show the area to be redeveloped. If the registered neighborhood association has been given notice of the public hearing to be held by the planning board or planning commission in conformity with the provisions of this subsection, the governing body or its designee shall not be required to comply with the notice requirements of subsection (2) of this section.

(4) Each neighborhood association desiring to receive notice of any hearing as provided in this section shall register with the city's planning department or, if there is no planning department, with the city clerk. The registration shall include a description of the area of representation of the association, the name of and contact information for the individual designated by the association to receive the notice on its behalf, and the requested manner of service, whether by email or regular, certified, or registered mail. Registration of the neighborhood association for the purposes of this section shall be accomplished in accordance with such other rules and regulations as may be adopted and promulgated by the city.

Sec. 13. (1) Public notice of any hearing required under section 18-2109 or 18-2115 shall be given by publication at least once a week for two consecutive weeks in a legal newspaper in or of general circulation in the community. The time of the hearing shall be at least ten days from the last publication.

(2)(a) Notice of any hearing required under section 18-2109 or 18-2115 shall be given to neighborhood associations that have registered under subsection (5) of this section as follows:

(i) For a hearing under section 18-2109, notice shall be given to each registered neighborhood association whose area of representation is located in whole or in part within a one-mile radius of the area to be declared substandard and blighted; and

(ii) For a hearing under section 18-2115, notice shall be given to each registered neighborhood association whose area of representation is located in whole or in part within a one-mile radius of the area to be redeveloped.

(b) Notice under this subsection shall be given at least ten days prior to the hearing in the manner requested by the neighborhood association. The notice shall be deemed given on the date it is sent.

(3)(a) Notice of any hearing required under section 18-2109 or 18-2115 shall be given to political subdivisions as follows:

(i) For a hearing under section 18-2109, notice shall be given to the president or chairperson of the governing body of each county, school district, community college area, educational service unit, and natural resources district in which the real property to be declared substandard and blighted is located; and

(ii) For a hearing under section 18-2115, notice shall be given to the president or chairperson of the governing body of each county, school district, community college area, educational service unit, and natural resources district in which the real property subject to the redevelopment plan or substantial modification thereof is located.

(b) Notice under this subsection shall be given at least ten days prior to the hearing by certified mail, return receipt requested. The notice shall be deemed given on the date it is mailed by certified mail.

(4) All notices given under this section shall describe the time, date, place, and purpose of the hearing.

(5) Each neighborhood association desiring to receive notice of any hearing required under section 18-2109 or 18-2115 shall register with the city's planning department or, if there is no planning department, with the city clerk. The registration shall include a description of the area of representation of the association, the name of and contact information for the individual designated by the association to receive the notice on its behalf, and the requested manner of service, whether by email, first-class mail, or certified mail. Registration of the neighborhood association for purposes of this section shall be accomplished in accordance with such other rules and regulations as may be adopted and promulgated by the city.

Sec. 14. Section 18-2116, Reissue Revised Statutes of Nebraska, is amended to read:

18-2116 (1) Following the public hearings required under section 18-2115 such hearing, the governing body may approve a redevelopment plan if (a) it finds and documents in writing that the plan is feasible and in conformity with the general plan for the development of the city as a whole and the plan is in conformity with the legislative declarations and determinations set forth in the Community Development Law and (b) it finds and documents in writing that, if the plan uses funds authorized in section 18-2147, (i) the redevelopment project in the plan would not be economically feasible without the use of tax-increment financing, (ii) the redevelopment project would not occur in the community redevelopment area without the use of tax-increment financing, and (iii) the costs and benefits of the redevelopment project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed by the governing body and have been found to be in the long-term best interest of the community impacted by the redevelopment project.

(2) In connection with the approval of any redevelopment plan which includes the designation of an enhanced employment area, the governing body may approve the redevelopment plan if it determines that any new investment within such enhanced employment area will result in at least (a) two new employees and new investment of one hundred twenty-five thousand dollars in counties with

fewer than fifteen thousand inhabitants, (b) five new employees and new investment of two hundred fifty thousand dollars in counties with at least fifteen thousand inhabitants but fewer than twenty-five thousand inhabitants, (c) ten new employees and new investment of five hundred thousand dollars in counties with at least twenty-five thousand inhabitants but fewer than fifty thousand inhabitants, (d) fifteen new employees and new investment of one million dollars in counties with at least fifty thousand inhabitants but fewer than one hundred thousand inhabitants, (e) twenty new employees and new investment of one million five hundred thousand dollars in counties with at least one hundred thousand inhabitants but fewer than two hundred thousand inhabitants, (f) twenty-five new employees and new investment of two million dollars in counties with at least two hundred thousand inhabitants but fewer than four hundred thousand inhabitants, or (g) thirty new employees and new investment of three million dollars in counties with at least four hundred thousand inhabitants. Any business that has one hundred thirty-five thousand square feet or more and annual gross sales of ten million dollars or more shall provide an employer-provided health benefit of at least three thousand dollars annually to all new employees who are working thirty hours per week or more on average and have been employed at least six months. In making such determination, the governing body may rely upon written undertakings provided by any redeveloper in connection with application for approval of the redevelopment plan.

Sec. 15. Section 18-2117.01, Reissue Revised Statutes of Nebraska, is amended to read:

18-2117.01 (1) On or before December 1 each year, each city which has approved one or more redevelopment plans which are financed in whole or in part through the division of taxes use of tax-increment financing as provided in section 18-2147 shall provide a report to the Property Tax Administrator on each such redevelopment plan which includes the following information:

(a) A copy of the redevelopment plan and any amendments thereto ~~if they have not been previously filed~~, including the date upon which the redevelopment plan was approved, the effective date for dividing the ad valorem tax as provided to the county assessor pursuant to subsection (4) (3) of section 18-2147, and the location and boundaries of the property in the redevelopment project; and

(b) A short narrative description of the type of development undertaken by the city or village with the financing and the type of business or commercial activity locating within the redevelopment project area as a result of the redevelopment project.

(2) The report required under subsection (1) of this section must be filed each year, regardless of whether the information in the report has changed, except that a city is not required to refile a copy of the redevelopment plan or an amendment thereto if such copy or amendment has previously been filed.

~~(3) (2)~~ The Property Tax Administrator shall compile a report for each active redevelopment project, based upon information provided by the cities pursuant to subsection (1) of this section and information reported by the county assessor or county clerk on the certificate of taxes levied pursuant to section 77-1613.01. Each report shall be electronically transmitted to the Clerk of the Legislature not later than March 1 each year. The report may include any recommendations of the Property Tax Administrator as to what other information should be included in the report from the cities so as to facilitate analysis of the uses, purposes, and effectiveness of tax-increment financing and the process for its implementation or to streamline the reporting process provided for in this section to eliminate unnecessary paperwork.

Sec. 16. On or before May 1 of each year, each authority, or such other division or department of the city as designated by the governing body, shall compile information regarding the approval and progress of redevelopment projects that are financed in whole or in part through the division of taxes as provided in section 18-2147 and report such information to the governing body of the city and to the governing body of each county, school district, community college area, educational service unit, and natural resources district whose property taxes are affected by such division of taxes. The report shall include, but not be limited to, the following information:

(1) The total number of redevelopment projects within the city that have been financed in whole or in part through the division of taxes as provided in section 18-2147;

(2) The total estimated project costs for all such redevelopment projects;

(3) A comparison between the initial projected valuation of property included in each such redevelopment project as described in the redevelopment contract and the assessed value of the property included in each such redevelopment project as of January 1 of the year of the report;

(4) The number of such redevelopment projects for which financing has been paid in full during the previous calendar year and for which taxes are no longer being divided pursuant to section 18-2147;

(5) The number of such redevelopment projects approved by the governing body in the previous calendar year;

(6) Information specific to each such redevelopment project approved by the governing body in the previous calendar year, including the project area, project type, amount of financing approved, and total estimated project costs; and

(7) The percentage of the city that has been designated as blighted.

Sec. 17. A redevelopment project that includes the division of taxes as provided in section 18-2147 shall not provide for the reimbursement of costs

incurred prior to approval of the redevelopment project, except for costs relating to:

- (1) The preparation of materials and applications related to the redevelopment project;
- (2) The preparation of a cost-benefit analysis conducted pursuant to section 18-2113;
- (3) The preparation of a redevelopment contract;
- (4) The preparation of bond and other financing instruments;
- (5) Land acquisition and related due diligence activities, including, but not limited to, surveys and environmental studies; and
- (6) Site demolition and preparation.

Sec. 18. (1) On and after October 1, 2018, each city that has approved one or more redevelopment plans or redevelopment projects that are financed in whole or in part through the division of taxes as provided in section 18-2147 shall retain copies of (a) all such redevelopment plans and (b) all supporting documents associated with the redevelopment plans or redevelopment projects and with any related substandard and blighted declaration under section 18-2109 that are received or generated by the city.

(2) The city shall retain the redevelopment plans and supporting documents described in subsection (1) of this section for the period of time required under any applicable records retention schedule adopted under the Records Management Act or for three years following the end of the last fiscal year in which ad valorem taxes are divided, whichever period is longer.

(3) For purposes of this section, supporting document includes any substandard and blighted study or analysis conducted pursuant to section 18-2109, any cost-benefit analysis conducted pursuant to section 18-2113, and any invoice, receipt, claim, or contract received or generated by the city that provides support for receipts or payments associated with the redevelopment plan or redevelopment project.

Sec. 19. Section 18-2119, Revised Statutes Cumulative Supplement, 2016, is amended to read:

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

(2) In the case of any real estate owned by a redeveloper, the authority may enter into a redevelopment contract providing for such undertakings as the authority shall determine appropriate. Any such redevelopment contract relating to real estate within an enhanced employment area shall include a statement of the redeveloper's consent with respect to the designation of the area as an enhanced employment area, shall be recorded with respect to the real estate owned by the redeveloper, and shall be binding upon all future owners of such real estate.

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

(i) Whether the redeveloper has filed or intends to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act for a project located or to be located within the redevelopment project area;

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

(iii) Whether such application has been approved under the Nebraska Advantage Act.

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

(4) A redevelopment contract for a redevelopment plan or redevelopment project that includes the division of taxes as provided in section 18-2147 shall include a provision requiring that the redeveloper retain copies of all supporting documents that are associated with the redevelopment plan or

redevelopment project and that are received or generated by the redeveloper for three years following the end of the last fiscal year in which ad valorem taxes are divided and provide such copies to the city as needed to comply with the city's retention requirements under section 18 of this act. For purposes of this subsection, supporting document includes any cost-benefit analysis conducted pursuant to section 18-2113 and any invoice, receipt, claim, or contract received or generated by the redeveloper that provides support for receipts or payments associated with the division of taxes.

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

Sec. 20. Section 18-2122, Reissue Revised Statutes of Nebraska, is amended to read:

18-2122 An authority shall have the right to acquire by the exercise of the power of eminent domain any real property which it may deem necessary for a redevelopment project or for its purposes under the Community Development Law provisions of sections 18-2101 to 18-2144 after the adoption by it of a resolution declaring that the acquisition of the real property described therein is necessary for such purposes. The procedure to condemn property shall be exercised in the manner set forth in sections 76-704 to 76-724.

When an authority has found and determined by resolution that certain real property described therein is necessary for a redevelopment project or for its purposes under the Community Development Law provisions of sections 18-2101 to 18-2144, the resolution shall be conclusive evidence that the acquisition of such real property is necessary for the purposes described therein.

Sec. 21. Section 18-2125, Reissue Revised Statutes of Nebraska, is amended to read:

18-2125 Neither the members of an authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds and other obligations of the authority, and such bonds and obligations shall so state on their face, shall not be a debt of the city and the city shall not be liable on such bonds, except to the extent authorized by sections 18-2147 to 18-2150, nor in any event shall such bonds or obligations be payable out of any funds or properties other than those of said authority acquired for the purposes of the Community Development Law sections 18-2101 to 18-2144, except to the extent authorized by sections 18-2147 to 18-2150. Except to the extent otherwise authorized, the bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Bonds of an authority are declared to be issued for an essential public and governmental purpose and to be public instrumentalities and, together with interest thereon and income therefrom, shall be exempt from all taxes. All bonds shall be general obligations of the authority issuing same and shall be payable out of any revenue, income, receipts, proceeds, or other money of the authority, except as may be otherwise provided in the instruments themselves.

An authority shall have power from time to time to issue bond anticipation notes, referred to as notes herein, and from time to time to issue renewal notes, such notes in any case to mature not later than thirty months from the date of incurring the indebtedness represented thereby in an amount not exceeding in the aggregate at any time outstanding the amount of bonds then or theretofore authorized. Payment of such notes shall be made from any money or revenue which the authority may have available for such purpose or from the proceeds of the sale of bonds of the authority, or such notes may be exchanged for a like amount of such bonds. The authority may pledge such money or revenue of the authority, subject to prior pledges thereof, if any, for the payment of such notes, and may in addition secure the notes in the same manner as herein provided for bonds. All notes shall be issued and sold in the same manner as bonds, and any authority shall have power to make contracts for the future sale from time to time of notes on terms and conditions stated in such contracts, and the authority shall have power to pay such consideration as it shall deem proper for any commitments to purchase notes and bonds in the future. Such notes shall also be collaterally secured by pledges and deposits with a bank or trust company, in trust for the payment of such notes, of bonds in an aggregate amount at least equal to the amount of such notes and, in any event, in an amount deemed by the issuing authority sufficient to provide for the payment of the notes in full at the maturity thereof. The authority may provide in the collateral agreement that the notes may be exchanged for bonds held as collateral security for the notes, or that the trustee may sell the bonds if the notes are not otherwise paid at maturity, and apply the proceeds of such sale to the payment of the notes. Such notes shall bear interest at a rate set by the authority, and shall be sold at such price as shall cause an interest cost thereon not to exceed such rate.

It is the intention hereof that any pledge of revenue, income, receipts, proceeds, or other money made by an authority for the payment of bonds or notes shall be valid and binding from the time such pledge is made; that the revenue, income, receipts, proceeds, and other money so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without the physical delivery thereof or further act, and that the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority irrespective of whether such parties have notice thereof. Neither the resolution nor any other

instrument by which a pledge is created need be recorded.

Sec. 22. Section 18-2127, Reissue Revised Statutes of Nebraska, is amended to read:

18-2127 The bonds may be sold by the authority in such manner and for such price as the authority may determine, at par or above par, at private sale or at public sale after notice published prior to such sale in a legal newspaper having general circulation in the municipality, or in such other medium of publication as the authority may deem appropriate, or may be exchanged by the authority for other bonds issued by it under the Community Development Law sections 18-2101 to 18-2144 and 18-2147 to 18-2151. Bonds which are issued under this section may be sold by the authority to the federal government at private sale at par or above par, and, in the event that less than all of the authorized principal amount of such bonds is sold by the authority to the federal government, the balance or any portion of the balance may be sold by the authority at private sale at par or above par.

Sec. 23. Section 18-2129, Reissue Revised Statutes of Nebraska, is amended to read:

18-2129 In any suit, action, or proceedings involving the validity or enforceability of any bond of an authority or the security therefor, any such bond reciting in substance that it has been issued by the authority to aid in financing a redevelopment project, as herein defined, shall be conclusively deemed to have been issued for such purpose and such project shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of the Community Development Law sections 18-2101 to 18-2144.

Sec. 24. Section 18-2133, Reissue Revised Statutes of Nebraska, is amended to read:

18-2133 An obligee of an authority shall have the right in addition to all other rights which may be conferred upon such obligee, subject only to any contractual restrictions binding upon such obligee:

(1) By mandamus, suit, action, or proceeding at law or in equity to compel said authority and the members, officers, agents, or employees thereof to perform each and every term, provision, and covenant contained in any contract of said authority with or for the benefit of such obligee, and to require the carrying out of any or all such covenants and agreements to the authority and the fulfillment of all duties imposed upon the authority by the Community Development Law provisions of sections 18-2101 to 18-2144; and

(2) By suit, action, or proceeding in equity to enjoin any acts or things which may be unlawful, or the violation of any of the rights of such obligee of the authority.

Sec. 25. Section 18-2134, Reissue Revised Statutes of Nebraska, is amended to read:

18-2134 All public officers, municipal corporations, political subdivisions, and public bodies; all banks, trust companies, bankers, savings banks and institutions, building and loan associations, savings and loan associations, investment companies, and other persons carrying on a banking business; all insurance companies, insurance associations, and other persons carrying on an insurance business; and all executors, administrators, curators, trustees, and other fiduciaries may legally invest any sinking funds, money, or other funds belonging to them or within their control in any bonds or other obligations issued by an authority pursuant to the Community Development Law sections 18-2101 to 18-2144 or by any public housing or redevelopment authority or commission, or agency or any other public body in the United States for redevelopment purposes, when such bonds and other obligations are secured by an agreement between the issuing agency and the federal government in which the issuing agency agrees to borrow from the federal government and the federal government agrees to lend to the issuing agency, prior to the maturity of such bonds or other obligations, money in an amount which, together with any other money irrevocably committed to the payment of interest on such bonds or other obligations, will suffice to pay the principal of such bonds or other obligations with interest to maturity thereon, which money under the terms of the agreement is required to be used for the purpose of paying the principal of and the interest on such bonds or other obligations at their maturity, and such bonds and other obligations shall be authorized security for all public deposits. It is the purpose of this section to authorize any persons, political subdivisions, and officers, public or private, to use any funds owned or controlled by them for the purchase of any such bonds or other obligations. However, nothing contained in this section with regard to legal investments shall be construed as relieving any person of any duty of exercising reasonable care in the selection of securities.

Sec. 26. Section 18-2137, Reissue Revised Statutes of Nebraska, is amended to read:

18-2137 The property of an authority is declared to be public property used for essential public and governmental purposes and shall be exempt from all taxes. Whenever such authority shall purchase or acquire real property pursuant to the Community Development Law sections 18-2101 to 18-2144, the authority shall annually, so long as it shall continue to own such property, pay out of its revenue to the State of Nebraska, county, city, township, school district, or other taxing subdivision in which such real property is located, in lieu of taxes, a sum equal to the amount which such state, county, city, township, school district or other taxing subdivision received from taxation from such real property during the year immediately preceding the purchase or acquisition of such real property by the authority. The county board of

equalization may, in any year subsequent to the purchase or acquisition of such property by the authority, determine the amount that said authority shall pay out of its revenue to the State of Nebraska and its several governmental subdivisions in lieu of taxes, which sum shall be as justice and equity may require, notwithstanding the amount which the state and its governmental subdivisions may have received from taxation during the year immediately preceding the purchase or acquisition of such property. ~~With ; Provided, that~~ ~~with~~ respect to any property in a redevelopment project, the tax exemption provided herein shall terminate when the authority sells, leases, or otherwise disposes of such property to a redeveloper for redevelopment. The members of the authority shall not incur any personal liability by reason of the making of such payments.

Sec. 27. Section 18-2138, Reissue Revised Statutes of Nebraska, is amended to read:

18-2138 In addition to any other provisions governing any public body set forth in the Community Development Law sections 18-2101 to 18-2144 and 18-2147 to 18-2151, for the purpose of aiding and cooperating in the planning, undertaking, or carrying out of a redevelopment project located within the area in which it is authorized to act, any public body may, upon such terms, with or without consideration, as it may determine: (1) Dedicate, sell, convey, or lease any of its interest in any property, or grant easements, licenses, or any other rights or privileges therein to an authority; (2) cause parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished in connection with a redevelopment project; (3) furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or replan streets, roads, sidewalks, ways, or other places, which it is otherwise empowered to undertake; (4) plan or replan, zone or rezone any part of the public body, or make exceptions from building regulations and ordinances if such functions are of the character which the public body is otherwise empowered to perform; (5) cause administrative and other services to be furnished to the authority of the character which the public body is otherwise empowered to undertake or furnish for the same or other purposes; (6) incur the entire expense of any public improvements made by such public body in exercising the powers granted in this section; (7) do any and all things necessary or convenient to aid and cooperate in the planning or carrying out of a redevelopment plan; (8) lend, grant, or contribute funds to an authority; (9) employ any funds belonging to or within the control of such public body, including funds derived from the sale or furnishing of property, service, or facilities to an authority, in the purchase of the bonds or other obligations of an authority and, as the holder of such bonds or other obligations, exercise the rights connected therewith; and (10) enter into agreements, which may extend over any period, notwithstanding any provision or rule of law to the contrary, with an authority respecting action to be taken by such public body pursuant to any of the powers granted by the Community Development Law provisions of sections 18-2101 to 18-2144. If at any time title to, or possession of, any redevelopment project is held by any public body or governmental agency, other than the authority, authorized by law to engage in the undertaking, carrying out or administration of redevelopment projects, including any agency or instrumentality of the United States of America, the provisions of such agreements shall inure to the benefit of and may be enforced by such public body or governmental agency.

Sec. 28. Section 18-2140, Reissue Revised Statutes of Nebraska, is amended to read:

18-2140 An authority may, at such time as it may deem necessary, file with the governing body an estimate of the amounts necessary to be appropriated by the governing body to defray the expense of the authority. The governing body of such city is hereby authorized, in its discretion, to appropriate from its general fund and to place at the disposal of the authority an amount sufficient to assist in defraying such expense. Any city located within the area of operation of an authority may grant funds to an authority for the purpose of aiding such authority in carrying out any of its powers and functions under the Community Development Law provisions of sections 18-2101 to 18-2144. To obtain funds for this purpose, the city may levy taxes and may issue and sell its bonds. Any bonds to be issued by the city pursuant to the provisions of this section shall be issued in the manner and within the limitations, except as otherwise provided by the Community Development Law sections 18-2101 to 18-2144, prescribed by the laws of this state for the issuance and authorization of bonds by a city for any public purpose.

Sec. 29. Section 18-2141, Reissue Revised Statutes of Nebraska, is amended to read:

18-2141 Any instrument executed by an authority and purporting to convey any right, title, or interest in any property under the Community Development Law sections 18-2101 to 18-2144 shall be conclusive evidence of compliance with the Community Development Law provisions of sections 18-2101 to 18-2144 insofar as title or other interest of any bona fide purchasers, lessees, or other transferees of such property is concerned.

Sec. 30. Section 18-2142.01, Reissue Revised Statutes of Nebraska, is amended to read:

18-2142.01 (1) In any suit, action, or proceeding involving the validity or enforceability of any bond of a city, village, or authority or the security therefor brought after the lapse of thirty days after the issuance of such bonds has been authorized, any such bond reciting in substance that it has been authorized by the city, village, or authority to aid in financing a

redevelopment project shall be conclusively deemed to have been authorized for such purpose and such redevelopment project shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of the Community Development Law and sections 18-2145 to 18-2154.

(2) In any suit, action, or proceeding involving the validity or enforceability of any agreement of a city, village, or authority brought after the lapse of thirty days after the agreement has been formally entered into, any such agreement reciting in substance that it has been entered into by the city, village, or authority to provide financing for an approved redevelopment project shall be conclusively deemed to have been entered into for such purpose and such project shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of the Community Development Law and sections 18-2145 to 18-2154.

Sec. 31. Section 18-2143, Reissue Revised Statutes of Nebraska, is amended to read:

18-2143 The powers conferred by the Community Development Law sections 18-2101 to 18-2144 shall be in addition and supplemental to the powers conferred by any other law and shall be independent of and in addition to any other provision of the laws of the State of Nebraska with reference to the matters covered in the Community Development Law hereby and shall be considered as a complete and independent act and not as amendatory of or limited by any other provision of the laws of the State of Nebraska. Notwithstanding any other evidence of legislative intent, it is hereby declared to be the controlling legislative intent that if any provision of the Community Development Law sections 18-2101 to 18-2144, or the application thereof to any person or circumstances is held unconstitutional or invalid, it shall not affect the other provisions of the Community Development Law sections 18-2101 to 18-2144 or the application of such provision to other persons or circumstances. The Community Development Law provisions of sections 18-2101 to 18-2144 and all grants of power, authority, rights, or discretion herein made to a city and to an authority created under the Community Development Law provisions hereof shall be liberally construed, and all incidental powers necessary to carry into effect the Community Development Law provisions of such sections are hereby expressly granted to and conferred upon a city or an authority created pursuant thereto hereto.

Sec. 32. Section 18-2144, Reissue Revised Statutes of Nebraska, is amended to read:

18-2144 The Community Development Law Sections 18-2101 to 18-2144 shall be full authority for the creation of a community redevelopment authority by a city or village, and for the exercise of the powers therein granted to a city or village and to such authority, and shall also be full authority for the creation of a community development agency by a city or village, and for the exercise of the powers therein granted to a city or village for such purpose, and no action, proceeding, or election shall be required prior to the creation of a community redevelopment authority or community development agency hereunder or to authorize the exercise of any of the powers granted in the Community Development Law such sections, except as specifically provided in the Community Development Law such sections, any provision of law or of any city charter or village law to the contrary notwithstanding.

No proceedings for the issuance of bonds of an authority or of a city or village for its community development agency shall be required other than those required by the Community Development Law provisions of sections 18-2101 to 18-2144; and the provisions of all other laws and city charters, if any, relative to the terms and conditions for the issuance, payment, redemption, registration, sale or delivery of bonds of public bodies, corporations, or political subdivisions of this state shall not be applicable to bonds issued by an authority pursuant to the Community Development Law sections 18-2101 to 18-2144.

Insofar as the provisions of the Community Development Law sections 18-2101 to 18-2144 are inconsistent with the provisions of any other law or of any city charter, if any, the provisions of the Community Development Law sections 18-2101 to 18-2144 shall be controlling.

Sec. 33. Section 18-2145, Reissue Revised Statutes of Nebraska, is amended to read:

18-2145 The provisions of the Community Development Law that are sections 18-2101 to 18-2144 not in conflict with the provisions relating to limited community redevelopment authorities and that are sections 18-2102.01, 18-2103, 18-2107, 18-2145, and 18-2146 and necessary or convenient to carry out the powers expressly conferred upon limited community redevelopment authorities or the intent and purpose of sections 18-2102.01, 18-2103, 18-2107, 18-2145, and 18-2146 shall apply to the limited community redevelopment authorities authority hereby authorized.

Sec. 34. Section 18-2147, Revised Statutes Cumulative Supplement, 2016, is amended to read:

18-2147 (1) Any redevelopment plan as originally approved or as later modified pursuant to section 18-2117 may contain a provision that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project for the benefit of any public body shall be divided, for a period not to exceed fifteen years after the effective date as identified in the project redevelopment contract or in the resolution of the authority authorizing the issuance of bonds pursuant to section 18-2124, as follows:

(a) That portion of the ad valorem tax which is produced by the levy at the rate fixed each year by or for each such public body upon the redevelopment

project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body. When there is not a redevelopment project valuation on a parcel or parcels, the county assessor shall determine the redevelopment project valuation based upon the fair market valuation of the parcel or parcels as of January 1 of the year prior to the year that the ad valorem taxes are to be divided. The county assessor shall provide written notice of the redevelopment project valuation to the authority as defined in section 18-2103 and the owner. The authority or owner may protest the valuation to the county board of equalization within thirty days after the date of the valuation notice. All provisions of section 77-1502 except dates for filing of a protest, the period for hearing protests, and the date for mailing notice of the county board of equalization's decision are applicable to any protest filed pursuant to this section. The county board of equalization shall decide any protest filed pursuant to this section within thirty days after the filing of the protest. The county clerk shall mail a copy of the decision made by the county board of equalization on protests pursuant to this section to the authority or owner within seven days after the board's decision. Any decision of the county board of equalization may be appealed to the Tax Equalization and Review Commission, in accordance with section 77-5013, within thirty days after the date of the decision;

(b) That portion of the ad valorem tax on real property, as provided in the redevelopment contract or bond resolution, in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premiums due, have been paid, the authority shall so notify the county assessor and county treasurer and all ad valorem taxes upon taxable real property in such a redevelopment project shall be paid into the funds of the respective public bodies; and

(c) Any interest and penalties due for delinquent taxes shall be paid into the funds of each public body in the same proportion as are all other taxes collected by or for the public body.

(2) To the extent that a redevelopment plan authorizes the division of ad valorem taxes levied upon only a portion of the real property included in such redevelopment plan, any improvements funded by such division of taxes shall be related to the redevelopment plan that authorized such division of taxes.

(3) ~~(2)~~ The effective date of a provision dividing ad valorem taxes as provided in subsection (1) of this section shall not occur until such time as the real property in the redevelopment project is within the corporate boundaries of the city. This subsection shall not apply to a redevelopment project involving a formerly used defense site as authorized in section 18-2123.01.

(4) ~~(3)~~ Beginning August 1, 2006, all notices of the provision for dividing ad valorem taxes shall be sent by the authority to the county assessor on forms prescribed by the Property Tax Administrator. The notice shall be sent to the county assessor on or before August 1 of the year of the effective date of the provision. Failure to satisfy the notice requirement of this section shall result in the taxes, for all taxable years affected by the failure to give notice of the effective date of the provision, remaining undivided and being paid into the funds for each public body receiving property taxes generated by the property in the redevelopment project. However, the redevelopment project valuation for the remaining division of ad valorem taxes in accordance with subdivisions (1)(a) and (b) of this section shall be the last certified valuation for the taxable year prior to the effective date of the provision to divide the taxes for the remaining portion of the fifteen-year period pursuant to subsection (1) of this section.

Sec. 35. Section 18-2153, Reissue Revised Statutes of Nebraska, is amended to read:

18-2153 The powers conferred by sections 18-2147 to 18-2153 shall be in addition and supplemental to the powers conferred by ~~the Community Development Law and~~ by any other law and shall be independent of and in addition to any other provision of the laws of the State of Nebraska with reference to the matters covered in such sections hereby. The provisions of such sections and all grants of power, authority, rights, or discretion to a city or village and to an authority created under the Community Development Law shall be liberally construed, and all incidental powers necessary to carry into effect such sections are hereby expressly granted to and conferred upon a city or village or an authority created pursuant to the Community Development Law.

Sec. 36. Section 77-1704.01, Revised Statutes Cumulative Supplement, 2016, is amended to read:

77-1704.01 (1) The county treasurer shall include with each tax notice to every taxpayer and with each receipt provided to a taxpayer the following information:

(a) The total amount of aid from state sources appropriated to the county and each city, village, and school district in the county;

(b) The net amount of property taxes to be levied by the county and each city, village, school district, and learning community in the county;

(c) For real property, the amount of taxes reflected on the statement that are levied by the county, city, village, school district, learning community,

and other subdivisions for the tax year and for the immediately past year on the same parcel; ~~and~~

(d) For real property that has its taxes divided under section 18-2147 as part of a redevelopment project under the Community Development Law, the amount of taxes reflected on the statement that are allocated to the county, city, village, school district, learning community, and other subdivisions, the amount of taxes reflected on the statement that are allocated to the redevelopment project, and a statement explaining that taxes on the real property have been divided as part of a redevelopment project under the Community Development Law for a period not to exceed fifteen years; and

~~(e)~~ For taxes levied for fiscal year 2017-18 on real property within a learning community, statements explaining that the school district levies for learning community member districts are increasing, in part, as a result of the expiration of the learning community common levies, the proceeds of which were distributed directly to school districts, and that the remaining learning community levies fund activities of the learning community.

(2) The necessary form for furnishing the information required by subdivisions (1)(a), (b), and (e) ~~(d)~~ of this section shall be prescribed by the Department of Revenue. The necessary information required by subdivision (1)(a) of this section shall be furnished to the county treasurer by the Department of Revenue prior to October 1 of each year. The form prescribed by the Department of Revenue shall contain the following statement:

THE AMOUNT OF STATE FUNDS SHOWN ABOVE WOULD HAVE BEEN ADDITIONAL PROPERTY TAXES IF NOT ALLOCATED TO THE COUNTY, CITY, VILLAGE, AND SCHOOL DISTRICT BY THE LEGISLATURE.

Sec. 37. Original sections 15-1301, 18-2101.01, 18-2104, 18-2107, 18-2109, 18-2113, 18-2116, 18-2117.01, 18-2122, 18-2125, 18-2127, 18-2129, 18-2133, 18-2134, 18-2137, 18-2138, 18-2140, 18-2141, 18-2142.01, 18-2143, 18-2144, 18-2145, and 18-2153, Reissue Revised Statutes of Nebraska, sections 13-2610, 18-2101, 18-2103, 18-2115, 18-2119, 18-2147, and 77-1704.01, Revised Statutes Cumulative Supplement, 2016, and sections 17-405.01 and 18-2102.01, Revised Statutes Supplement, 2017, are repealed.