

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 462

Introduced by Conrad, 46.

Read first time January 13, 2023

Committee:

- 1 A BILL FOR AN ACT relating to the Middle Income Workforce Housing
- 2 Investment Act; to amend section 81-1237, Revised Statutes
- 3 Cumulative Supplement, 2022; to redefine a term; and to repeal the
- 4 original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 81-1237, Revised Statutes Cumulative Supplement,
2 2022, is amended to read:

3 81-1237 For purposes of the Middle Income Workforce Housing
4 Investment Act:

5 (1) Department means the Department of Economic Development;

6 (2) Director means the Director of Economic Development;

7 (3) Eligible activities of a workforce housing investment fund
8 means:

9 (a) New construction of owner-occupied housing in a neighborhood and
10 community with a demonstrated need for housing that is affordable and
11 attractive to first-time homebuyers, middle-income families, and the
12 emerging workforce;

13 (b) Substantial repair or rehabilitation of dilapidated housing
14 stock; or

15 (c) Upper-story housing development for occupation by a homeowner;

16 (4) HOME funds means funds awarded as formula grants under the HOME
17 Investment Partnerships Program administered by the United States
18 Department of Housing and Urban Development;

19 (5) Matching funds means dollars contributed by individuals,
20 businesses, foundations, local and regional political subdivisions, or
21 other nonprofit organizations to a workforce housing investment fund
22 administered by a nonprofit development organization;

23 (6) Nonprofit development organization means a regional or statewide
24 nonprofit development organization approved by the director;

25 (7) Qualified activities include purchase guarantees, loan
26 guarantees, loan participations, and other credit enhancements related to
27 eligible activities of the workforce housing investment fund;

28 (8) Qualified investment means a cash investment in a workforce
29 housing investment fund administered by a nonprofit development
30 organization;

31 (9) Urban community means any area that is:

1 (a) In a county with a population greater than one hundred thousand
2 inhabitants as determined by the most recent federal decennial census;
3 and

4 (b)(i) Within a qualified census tract as described in 26 U.S.C.
5 42(d)(5)(B), as such section existed on January 1, 2022; or

6 (ii) Within a city of the primary class;

7 (10) Workforce housing means:

8 (a) Owner-occupied housing units that cost not more than three
9 hundred thirty thousand dollars to construct ~~have an after-construction~~
10 ~~appraised value of at least one hundred twenty-five thousand dollars but~~
11 ~~not more than two hundred seventy-five thousand dollars.~~ For purposes of
12 this subdivision, housing unit costs (a) and ~~subdivision (b) of this~~
13 ~~subdivision, housing unit after-construction appraised value~~ shall be
14 updated annually by the department based upon the most recent increase or
15 decrease in the Producer Price Index for all commodities, published by
16 the United States Department of Labor, Bureau of Labor Statistics;

17 (b) Owner-occupied housing units for which the cost to substantially
18 rehabilitate such units exceeds fifty percent of a unit's before-
19 construction assessed value, and the after-construction appraised value
20 of the building alone is at least one hundred twenty-five thousand
21 dollars but not more than two hundred seventy-five thousand dollars. For
22 purposes of this subdivision, housing unit after-construction appraised
23 value shall be updated annually by the department based upon the most
24 recent increase or decrease in the Producer Price Index for all
25 commodities, published by the United States Department of Labor, Bureau
26 of Labor Statistics;

27 (c) Upper-story housing for occupation by a homeowner; and

28 (d) Housing that does not receive federal or state low-income
29 housing tax credits, community development block grants, HOME funds, or
30 funds from the Affordable Housing Trust Fund; and

31 (11) Workforce housing investment fund means a fund that has been

1 created by a nonprofit development organization and certified by the
2 director to encourage development of workforce housing in urban
3 communities.

4 Sec. 2. Original section 81-1237, Revised Statutes Cumulative
5 Supplement, 2022, is repealed.