

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 98

Introduced by Jacobson, 42.

Read first time January 06, 2023

Committee:

- 1 A BILL FOR AN ACT relating to the Community Development Law; to amend
- 2 sections 18-2109 and 18-2155, Reissue Revised Statutes of Nebraska;
- 3 to change provisions relating to substandard and blighted
- 4 declarations and redevelopment plans receiving an expedited review;
- 5 and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 18-2109, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 18-2109 (1) A redevelopment plan for a redevelopment project area
4 shall not be prepared and the governing body of the city in which such
5 area is located shall not approve a redevelopment plan unless the
6 governing body has, by resolution adopted after the public hearings
7 required under this section, declared such area to be a substandard and
8 blighted area in need of redevelopment.

9 (2) Prior to making such declaration, the governing body of the city
10 shall conduct or cause to be conducted a study or an analysis on whether
11 the area is substandard and blighted and shall submit the question of
12 whether such area is substandard and blighted to the planning commission
13 or board of the city for its review and recommendation. The planning
14 commission or board shall hold a public hearing on the question after
15 giving notice of the hearing as provided in section 18-2115.01. The
16 planning commission or board shall submit its written recommendations to
17 the governing body of the city within thirty days after the public
18 hearing.

19 (3) Upon receipt of the recommendations of the planning commission
20 or board, or if no recommendations are received within thirty days after
21 the public hearing required under subsection (2) of this section, the
22 governing body shall hold a public hearing on the question of whether the
23 area is substandard and blighted after giving notice of the hearing as
24 provided in section 18-2115.01. At the public hearing, all interested
25 parties shall be afforded a reasonable opportunity to express their views
26 respecting the proposed declaration. After such hearing, the governing
27 body of the city may adopt a resolution declaring that substandard and
28 blighted conditions exist in the area under study. After the governing
29 body has declared that substandard and blighted conditions exist in the
30 area under study, the governing body may, by one or more resolutions,
31 declare such area or any portion of such area to be a substandard and

1 blighted area without further public hearing.

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

6 Sec. 2. Section 18-2155, Reissue Revised Statutes of Nebraska, is
7 amended to read:

8 18-2155 (1) The governing body of a city may elect by resolution to
9 allow expedited reviews of redevelopment plans that meet the requirements
10 of subsection (2) of this section. A redevelopment plan that receives an
11 expedited review pursuant to this section shall be exempt from the
12 requirements of sections 18-2111 to 18-2115 and 18-2116.

13 (2) A redevelopment plan is eligible for expedited review under this
14 section if:

15 (a) The redevelopment plan includes only one redevelopment project;

16 (b) The redevelopment project involves:

17 (i) The repair, rehabilitation, or replacement of an existing
18 structure that has been within the corporate limits of the city for at
19 least sixty years and is located within a substandard and blighted area;
20 or

21 (ii) The redevelopment of a vacant lot that is located within a
22 substandard and blighted area that has been within the corporate limits
23 of the city for at least sixty years and has been platted for at least
24 sixty years;

25 (c) The redevelopment project is located in a county with a
26 population of less than one hundred thousand inhabitants; and

27 (d) The assessed value of the property within the redevelopment
28 project area when the project is complete is estimated to be no more
29 than:

30 (i) Three hundred fifty thousand dollars for a redevelopment project
31 involving a single-family residential structure;

1 (ii) One million five hundred thousand dollars for a redevelopment
2 project involving a multi-family residential structure or commercial
3 structure; or

4 (iii) Ten million dollars for a redevelopment project involving the
5 revitalization of a structure included in the National Register of
6 Historic Places.

7 (3) The governing body of a city that elects to allow expedited
8 reviews of redevelopment plans under this section may establish by
9 resolution an annual limit on the number of such redevelopment plans that
10 may be approved by the governing body.

11 (4) (3) The expedited review shall consist of the following steps:

12 (a) A redeveloper shall prepare the redevelopment plan using a
13 standard form developed by the Department of Economic Development. The
14 form shall include (i) the existing uses and condition of the property
15 within the redevelopment project area, (ii) the proposed uses of the
16 property within the redevelopment project area, (iii) the number of years
17 the existing structure has been within the corporate limits of the city
18 or the number of years that the vacant lot has been platted within the
19 corporate limits of the city, whichever is applicable, (iv) the current
20 assessed value of the property within the redevelopment project area, (v)
21 the increase in the assessed value of the property within the
22 redevelopment project area that is estimated to occur as a result of the
23 redevelopment project, ~~and~~ (vi) an indication of whether the
24 redevelopment project will be financed in whole or in part through the
25 division of taxes as provided in section 18-2147, and (vii) the agreed-
26 upon costs of the redevelopment project;

27 (b) The redeveloper shall submit the redevelopment plan directly to
28 the governing body along with ~~any building permit or other permits~~
29 ~~necessary to complete the redevelopment project~~ and an application fee in
30 an amount set by the governing body, not to exceed fifty dollars. Such
31 application fee shall be separate from any fees for building permits or

1 other permits needed for the project; and

2 (c) ~~The If the governing body has elected to allow expedited reviews~~
3 ~~of redevelopment plans under subsection (1) of this section and the~~
4 ~~submitted redevelopment plan meets the requirements of subsection (2) of~~
5 ~~this section, the governing body shall determine whether to approve or~~
6 ~~deny the redevelopment plan within thirty days after submission of the~~
7 ~~plan. A redevelopment plan may be denied if:~~

8 (i) The redevelopment plan does not meet the requirements of
9 subsection (2) of this section;

10 (ii) Approval of the redevelopment plan would exceed the annual
11 limit established under subsection (3) of this section; or

12 (iii) The redevelopment plan is inconsistent with the city's
13 comprehensive development plan.

14 (5) ~~(4)~~ Each city may select the appropriate employee or department
15 to conduct expedited reviews pursuant to this section.

16 (6) ~~(5)~~ For any approved redevelopment project that is financed in
17 whole or in part through the division of taxes as provided in section
18 18-2147:

19 (a) The authority shall incur indebtedness related to the
20 redevelopment project which in the form of a promissory note issued to
21 the owner of record of the property within the redevelopment project
22 area. The total amount of indebtedness shall not exceed the lesser of the
23 agreed-upon costs of the redevelopment project or the amount estimated to
24 be generated over a fifteen-year period from the portion of taxes
25 mentioned in subdivision (1)(b) of section 18-2147. ~~Such~~ ~~The terms of~~
26 such promissory note shall clearly state that such indebtedness ~~shall~~
27 does not create a general obligation on behalf of the authority or the
28 city in the event that the amount generated over a fifteen-year period
29 from the portion of taxes mentioned in subdivision (1)(b) of section
30 18-2147 does not equal the costs of the agreed-upon work to repair,
31 rehabilitate, or replace the structure or to redevelop the vacant lot as

1 provided in the redevelopment plan;

2 (b) Upon completion of the agreed-upon work to repair, rehabilitate,
3 or replace the structure or to redevelop the vacant lot as provided in
4 the redevelopment plan, the redeveloper shall notify the county assessor
5 of such completion; and

6 (c) The county assessor shall then determine:

7 (i) Whether the redevelopment project is complete. Redevelopment
8 projects must be completed within two years after the redevelopment plan
9 is approved under this section; and

10 (ii) The assessed value of the property within the redevelopment
11 project area.

12 (7) ~~(6)~~ After the county assessor makes the determinations required
13 under subdivision (6)(c) ~~(5)(e)~~ of this section, the county assessor
14 shall use a standard certification form developed by the Department of
15 Revenue to certify to the authority:

16 (a) That improvements have been made and completed;

17 (b) That a valuation increase has occurred;

18 (c) The amount of the valuation increase; and

19 (d) That the valuation increase was due to the improvements made.

20 (8) ~~(7)~~ Once the county assessor has made the certification required
21 under subsection (7) ~~(6)~~ of this section, the authority may begin to use
22 the portion of taxes mentioned in subdivision (1)(b) of section 18-2147
23 to pay the indebtedness incurred by the authority under subdivision (6)
24 (a) ~~(5)(a)~~ of this section.

25 (9) The payments shall be remitted to the holder of the indebtedness
26 owner of record of the property within the redevelopment project area.
27 The changes made to this subsection by this legislative bill shall be
28 retroactive in application and shall apply to redevelopment plans
29 approved prior to, on, or after the effective date of this act.

30 (10) ~~(8)~~ A single fund may be used for all redevelopment projects
31 that receive an expedited review pursuant to this section. It shall not

1 be necessary to create a separate fund for any such project, including a
2 project financed in whole or in part through the division of taxes as
3 provided in section 18-2147.

4 (11) The governing body of a city that elects to allow expedited
5 reviews of redevelopment plans under this section may revoke such
6 election by resolution at any time. The revocation of such election shall
7 not affect the validity of (a) any redevelopment plan or redevelopment
8 project that was approved under this section prior to the revocation of
9 such election or (b) any indebtedness incurred by the authority under
10 subdivision (6)(a) of this section prior to the revocation of such
11 election.

12 Sec. 3. Original sections 18-2109 and 18-2155, Reissue Revised
13 Statutes of Nebraska, are repealed.