

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1059**

Introduced by Crawford, 45.

Read first time January 20, 2016

Committee: Urban Affairs

- 1 A BILL FOR AN ACT relating to municipalities; to amend sections 18-2119
- 2 and 18-2701, Reissue Revised Statutes of Nebraska; to require
- 3 certain disclosures under the Community Development Law and the
- 4 Local Option Municipal Economic Development Act; to harmonize
- 5 provisions; and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

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

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

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

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

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

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

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

19 (iii) A good faith estimate of the total amount of tax incentives  
20 the redeveloper expects to receive under the Nebraska Advantage Act for  
21 any such application; and

22 (iv) Whether such application has been approved under the Nebraska  
23 Advantage Act.

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

27 Sec. 2. Section 18-2701, Reissue Revised Statutes of Nebraska, is  
28 amended to read:

29 18-2701 Sections 18-2701 to 18-2739 and section 3 of this act shall  
30 be known and may be cited as the Local Option Municipal Economic  
31 Development Act.

1           Sec. 3. (1) At the time that a qualifying business applies to a  
2 city to participate in an economic development program, the qualifying  
3 business shall certify the following to the city:

4           (a) Whether the qualifying business has filed or intends to file an  
5 application with the Department of Revenue to receive tax incentives  
6 under the Nebraska Advantage Act for the same project for which the  
7 qualifying business is seeking financial assistance under the Local  
8 Option Municipal Economic Development Act;

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

11           (c) A good faith estimate of the total amount of tax incentives the  
12 qualifying business expects to receive under the Nebraska Advantage Act  
13 for any such application; and

14           (d) Whether such application has been approved under the Nebraska  
15 Advantage Act.

16           (2) The city may consider the information provided under this  
17 section in determining whether to provide financial assistance to the  
18 qualifying business under the Local Option Municipal Economic Development  
19 Act.

20           Sec. 4. Original sections 18-2119 and 18-2701, Reissue Revised  
21 Statutes of Nebraska, are repealed.