## LEGISLATURE OF NEBRASKA

## ONE HUNDRED FIFTH LEGISLATURE

## FIRST SESSION

## **LEGISLATIVE BILL 383**

Introduced by Quick, 35; Albrecht, 17; Blood, 3; Morfeld, 46; Wishart, 27.

Read first time January 13, 2017

Committee: Urban Affairs

- 1 A BILL FOR AN ACT relating to cities and villages; to amend sections
- 2 18-2102.01, 18-2715, and 19-926, Reissue Revised Statutes of
- 3 Nebraska; to change membership provisions for certain community
- 4 redevelopment authorities, citizen advisory review committees, and
- 5 planning commissions; and to repeal the original sections.
- 6 Be it enacted by the people of the State of Nebraska,

- 1 Section 1. Section 18-2102.01, Reissue Revised Statutes of Nebraska,
- 2 is amended to read:
- 3 18-2102.01 Cities of all classes and villages of this state are
- 4 hereby granted power and authority to create community redevelopment
- 5 authorities and limited community redevelopment authorities.
- 6 (1) Whenever an authority or limited authority is created it shall
- 7 bear the name of the city creating it and shall be legally known as the
- 8 Community Redevelopment Authority of the City (or Village)
- 9 of ..... (name of city or village) or the Limited Community
- 10 Redevelopment Authority of the City (or Village) of ...... (name
- 11 of city or village).
- (2) When it is determined by the governing body of any city by 12 13 ordinance in the exercise of its discretion that it is expedient to create a community redevelopment authority or limited community 14 redevelopment authority, the mayor of the city or, if the mayor shall 15 fail to act within ninety days after the passage of the ordinance, the 16 17 president or other presiding officer other than the mayor of the governing body, with the approval of the governing body of the city, 18 19 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-20 member authority initially appointed shall be for one year, two years, 21 three years, four years, and five years, as designated by the mayor, 22 23 president, other presiding officer, or city manager in making the 24 respective appointments. The terms of office of the members of a seven-25 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 26 four years, as designated by the mayor, president, other presiding 27 officer, or city manager in making the respective appointments. As the 28 terms of the members of the authority expire in cities not having the 29 city manager form of government, the mayor, with the approval of the 30 governing body of the city, shall appoint or reappoint a member of the 31

- 1 authority for a term of five years to succeed the member whose term
- 2 expires. In cities having the city manager form of government, the city
- 3 manager shall appoint or reappoint the members with the approval of the
- 4 governing body. The terms of office of the members of a limited community
- 5 redevelopment authority shall be for the duration of only one single
- 6 specific limited pilot project authorized in the ordinance creating the
- 7 limited community redevelopment authority, and the terms of the members
- 8 of a limited community redevelopment authority shall expire upon the
- 9 completion of the single specific limited pilot project authorized in the
- 10 ordinance creating the limited community redevelopment authority.
- 11 A governing body may at its option submit an ordinance which creates
- 12 a community redevelopment authority or a limited community redevelopment
- 13 authority to the electors of the city for approval by a majority vote of
- 14 the electors voting on the ordinance. On submitting the ordinance for
- 15 approval, the governing body is authorized to call, by the ordinance, a
- 16 special or general election and to submit, after thirty days' notice of
- 17 the time and place of holding the election and according to the manner
- 18 and method otherwise provided by law for the calling, conducting,
- 19 canvassing, and certifying of the result of city elections on the
- 20 submission of propositions to the electors, the proposition to be stated
- 21 on the ballot as follows:
- 22 Shall the City (or Village) of ...... (name of city or
- 23 village) create a Community Redevelopment Authority of the City (or
- 24 Village) of ..... (name of city or village)?
- 25 ... Yes
- 26 ... No.
- 27 When the ordinance submitted to the electors for approval by a
- 28 majority vote of the electors voting on the ordinance is to create a
- 29 limited community redevelopment authority the proposition shall be stated
- 30 on the ballot as follows:
- 31 Shall the City (or Village) of ...... (name of city or

1 village) create a Limited Community Redevelopment Authority of the City

2 (or Village) of ..... (name of city or village)?

- 3 ... Yes
- 4 ... No.
- 5 Vacancies shall be filled for any unexpired term in the same manner
- 6 as the original appointment. Members of the authority so appointed shall
- 7 hold office until their successors have been appointed and qualified.
- 8 Members of a limited authority shall hold office as provided in this
- 9 section. All members of the authority shall serve without compensation,
- 10 but shall be entitled to be reimbursed for all necessary expenses
- 11 incurred.
- (3) Any authority established under this section shall organize by 12 electing one of its members chairperson and another vice-chairperson, 13 shall have power to employ counsel, a director who shall be ex officio 14 secretary of the authority, and such other officers and employees as may 15 16 be desired, and shall fix the term of office, qualifications, and compensation of each. The holder of the office of community redevelopment 17 administrator or coordinator of the city may, but need not, be appointed 18 the director but at no additional compensation by the authority. 19 Community redevelopment authorities of cities of the first and second 20 class and villages may secure the services of a director, community 21 redevelopment administrator, or coordinator, and other officers and 22 employees as may be desired through contract with the Department of 23 24 Economic Development upon terms which are mutually agreeable. Any authority established under this section may validly and effectively act 25 on all matters requiring a resolution or other official action by the 26 concurrence of three members of a five-member authority or four members 27 of a seven-member authority present and voting at a meeting of the 28 authority. Orders, requisitions, warrants, and other documents may be 29 executed by the chairperson or vice-chairperson or by or with others 30 designated in its bylaws. 31

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- 1 (4) No member or employee of any authority established under this 2 section shall have any interest directly or indirectly in any contract 3 for property, materials, or services to be required by such authority. No 4 member of any authority established under this section shall also be a 5 member of any planning commission created under section 19-925.
  - (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.
- (6) The governing body of a city creating a community redevelopment 10 authority or a limited community redevelopment authority is hereby 11 authorized to appropriate and loan to the authority a sum not exceeding 12 ten thousand dollars for the purposes of paying expenses of organizing 13 and supervising the work of the authority at the beginning of its 14 activities. The loan shall be authorized by resolution of the governing 15 16 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 17 sinking fund. 18
- (7) All income, revenue, profits, and other funds received by any 19 authority established under this section from whatever source derived, or 20 appropriated by the city, or realized from tax receipts or comprised in 21 the special revenue fund of the city designated for the authority or from 22 the proceeds of bonds, or otherwise, shall be deposited with the city 23 24 treasurer as ex officio treasurer of the authority without commingling 25 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 26 requisitions by the chairperson of the authority or other person 27 28 authorized by the authority which shall state distinctly the purpose for which the same are drawn. A permanent record shall be kept by the 29 authority of all warrants, orders, or requisitions so drawn, showing the 30 31 date, amount, consideration, and to whom payable. When paid, the same

1 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 2 audited upon the order of the governing body of the municipality in such 3 manner as it may direct, and all books and records of the authority shall 4 5 at all times be open to public inspection. The authority may contract with the holders of any of its bonds or notes as to collection, custody, 6 securing investment, and payment of any money of the authority or any 7 money held in trust or otherwise for the payment of bonds or notes or in 8 9 any way to secure bonds or notes. The authority may carry out the contract notwithstanding that such contract may be inconsistent with the 10 previous provisions of this subdivision. All banks, capital stock 11 financial institutions, qualifying mutual financial institutions, and 12 trust companies are hereby authorized to give security for the deposits 13 of money of any authority established under the provisions of this 14 section pursuant to the Public Funds Deposit Security Act. Section 15 77-2366 applies to deposits in capital stock financial institutions. 16 17 Section 77-2365.01 shall apply to deposits in qualifying mutual financial 18 institutions.

19 Sec. 2. Section 18-2715, Reissue Revised Statutes of Nebraska, is 20 amended to read:

18-2715 (1) The ordinance establishing the economic development 21 program shall provide for the creation of a citizen advisory review 22 23 committee. The committee shall consist of not less than five or more than 24 ten registered voters of the city who shall be appointed to the committee 25 by the mayor or chairperson subject to approval by the governing body of the city. At least one member of the committee shall have expertise or 26 experience in the field of business finance or accounting. The ordinance 27 28 shall designate an appropriate city official or emplovee with responsibility for the administration of the economic development program 29 to serve as an ex officio member of the committee with responsibility for 30 assisting the committee and providing it with necessary information and 31

- 1 advice on the economic development program.
- 2 (2) No member of the citizen advisory review committee shall be an elected or appointed city official, a member of any planning commission created under section 19-925, an employee of the city, a participant in a decisionmaking position regarding expenditures of program funds, or an official or employee of any qualifying business receiving financial assistance under the economic development program or of any financial institution participating directly in the economic development program.
- 9 (3) The ordinance shall provide for regular meetings of the citizen
  10 advisory review committee to review the functioning and progress of the
  11 economic development program and to advise the governing body of the city
  12 with regard to the program. At least once in every six-month period after
  13 the effective date of the ordinance, the committee shall report to the
  14 governing body on its findings and suggestions at a public hearing called
  15 for that purpose.
- 16 (4) Members of the citizen advisory review committee, in their 17 capacity as members and consistent with their responsibilities as members, may be permitted access to business information received by the 18 city in the course of its administration of the economic development 19 program, which information would otherwise be confidential (a) under 20 agreement with a qualifying business 21 section 84-712.05, (b) by 22 participating in the economic development program, or (c) under any 23 ordinance of the city providing access to such records to members of the 24 committee and guaranteeing the confidentiality of business information received by reason of its administration of the economic development 25 program. Such ordinance may provide that unauthorized disclosure of any 26 business information which is confidential under section 84-712.05 shall 27 be a Class III misdemeanor. 28
- Sec. 3. Section 19-926, Reissue Revised Statutes of Nebraska, is amended to read:
- 31 19-926 (1) The planning commission shall consist of nine regular

members who shall represent, insofar as is possible, the different 1 2 professions or occupations in the municipality and shall be appointed by the mayor, by and with the approval of a majority vote of the members 3 4 elected to the council or the village board. Two of the regular members may be residents of the area over which the municipality is authorized to 5 exercise extraterritorial zoning and subdivision regulation. When there 6 7 is a sufficient number of residents in the area over which the municipality exercises extraterritorial zoning and subdivision 8 9 regulation, one regular member of the commission shall be a resident from such area. If it is determined by the city council or village board that 10 a sufficient number of residents reside in the area subject to 11 extraterritorial zoning or subdivision regulation, and no such resident 12 13 is a regular member of the commission, the first available vacancy on the commission shall be filled by the appointment of such an individual. For 14 purposes of this section, a sufficient number of residents shall mean: 15 16 (a) For a village, two hundred residents; (b) for a city of the second 17 class, five hundred residents; and (c) for a city of the first class, one thousand residents. A number of commissioners equal to a majority of the 18 19 number of regular members appointed to the commission shall constitute a quorum for the transaction of any business. All regular members of the 20 commission shall serve without compensation—and shall hold no other 21 22 municipal office except when appointed to serve on the board of 23 adjustment as provided in section 19-908. The term of each regular member 24 shall be three years, except that three regular members of the first 25 commission to be so appointed shall serve for terms of one year, three for terms of two years, and three for terms of three years. All regular 26 members shall hold office until their successors are appointed. Any 27 28 member may, after a public hearing before the council or village board, be removed by the mayor with the consent of a majority vote of the 29 members elected to the council or village board for inefficiency, neglect 30 of duty or malfeasance in office, or other good and sufficient cause. 31

1 Vacancies occurring otherwise than through the expiration of term shall

- 2 be filled for the unexpired portion of the term by the mayor.
- 3 (2) Notwithstanding the provisions of subsection (1) of this
- 4 section, the planning commission for any city of the second class or
- 5 village may have either five, seven, or nine regular members as the city
- 6 council or village board of trustees establishes by ordinance. If a city
- 7 or village planning commission has either five or seven regular members,
- 8 approximately one-third of the regular members of the first commission
- 9 shall serve for terms of one year, one-third for terms of two years, and
- 10 one-third for terms of three years.
- 11 (3) A city of the first or second class or a village may, by
- 12 ordinance, provide for the appointment of one alternate member to the
- 13 planning commission who shall be chosen by the mayor with the approval of
- 14 a majority vote of the elected members of the council or village board.
- 15 The alternate member shall serve without compensation—and shall hold no
- 16 other municipal office. The term of the alternate member shall be three
- 17 years, and he or she shall hold office until his or her successor is
- 18 appointed and approved. The alternate member may be removed from office
- 19 in the same manner as a regular member. If the alternate member position
- 20 becomes vacant other than through the expiration of the term, the vacancy
- 21 shall be filled for the unexpired portion of the term by the mayor with
- 22 the approval of a majority vote of the elected members of the council or
- 23 village board. The alternate member may attend any meeting and may serve
- 24 as a voting and participating member of the commission at any time when
- 25 less than the full number of regular commission members is present and
- 26 capable of voting.
- 27 (4) A regular or alternate member of the planning commission may
- 28 hold other municipal office except as a member of any community
- 29 <u>redevelopment authority or limited community redevelopment authority</u>
- 30 <u>created under section 18-2102.01</u>, or as a member of any citizen advisory
- 31 review committee created under section 18-2715.

LB383 2017 LB383 2017

1 Sec. 4. Original sections 18-2102.01, 18-2715, and 19-926, Reissue

2 Revised Statutes of Nebraska, are repealed.