

LEGISLATURE OF NEBRASKA  
ONE HUNDRED NINTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 1129**

Introduced by Dover, 19.

Read first time January 20, 2026

Committee: Urban Affairs

1 A BILL FOR AN ACT relating to the Community Development Law; to amend  
2 sections 18-2108, 18-2123, and 18-2123.01, Reissue Revised Statutes  
3 of Nebraska, section 18-2155, Revised Statutes Cumulative  
4 Supplement, 2024, and sections 18-2102, 18-2103, and 18-2147,  
5 Revised Statutes Supplement, 2025; to change provisions relating to  
6 legislative findings; to redefine terms; to change and eliminate  
7 provisions relating to the acquisition of real property, land  
8 outside the corporate limits of cities, the effective date for the  
9 division of taxes, and certain redevelopment plans receiving an  
10 expedited review; to harmonize provisions; and to repeal the  
11 original sections.

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

1       **Section 1.** Section 18-2102, Revised Statutes Supplement, 2025, is  
2       amended to read:

3       18-2102 It is hereby found and declared that there exist in cities  
4       of all classes and villages of this state areas which have deteriorated  
5       and become substandard and blighted because of the unsafe, insanitary,  
6       inadequate, or overcrowded condition of the dwellings therein, or because  
7       of inadequate planning of the area, or excessive land coverage by the  
8       buildings thereon, or the lack of proper light and air and open space, or  
9       because of the defective design and arrangement of the buildings thereon,  
10       or faulty street or lot layout, or congested traffic conditions, or  
11       economically or socially undesirable land uses, or the lack of affordable  
12       housing in the area, or the existence of underdeveloped parcels that have  
13       been within the extraterritorial zoning jurisdiction of the city for more  
14       than twenty-five years. Such conditions or a combination of some or all  
15       of them have resulted and will continue to result in making such areas  
16       economic or social liabilities harmful to the social and economic well-  
17       being of the entire communities in which they exist, needlessly  
18       increasing public expenditures, imposing onerous municipal burdens,  
19       decreasing the tax base, reducing tax revenue, substantially impairing or  
20       arresting the sound growth of municipalities, aggravating traffic  
21       problems, substantially impairing or arresting the elimination of traffic  
22       hazards and the improvement of traffic facilities, and depreciating  
23       general community-wide values. The existence of such areas contributes  
24       substantially and increasingly to the spread of disease and crime,  
25       necessitating excessive and disproportionate expenditures of public funds  
26       for the preservation of the public health and safety, for crime  
27       prevention, correction, prosecution, punishment and the treatment of  
28       juvenile delinquency, and for the maintenance of adequate police, fire,  
29       and accident protection and other public services and facilities. These  
30       conditions are beyond remedy and control solely by regulatory process in  
31       the exercise of the police power and cannot be dealt with effectively by

1 the ordinary operations of private enterprise without the aids herein  
2 provided. The elimination of such conditions and the acquisition and  
3 preparation of land in or necessary to the renewal of substandard and  
4 blighted areas and its sale or lease for development or redevelopment in  
5 accordance with general plans and redevelopment plans of communities and  
6 any assistance which may be given by any state public body in connection  
7 therewith are public uses and purposes for which public money may be  
8 expended and private property acquired. The necessity in the public  
9 interest for the provisions of the Community Development Law is hereby  
10 declared to be a matter of legislative determination.

11 It is further found and declared that the prevention and elimination  
12 of blight is a matter of state policy, public interest, and statewide  
13 concern and within the powers and authority inhering in and reserved to  
14 the state, in order that the state and its municipalities shall not  
15 continue to be endangered by areas which are focal centers of disease,  
16 promote juvenile delinquency, and consume an excessive proportion of  
17 their revenue.

18 It is further found and declared that certain substandard and  
19 blighted areas, or portions thereof, may require acquisition, clearance,  
20 and disposition, subject to use restrictions, as provided in the  
21 Community Development Law, since the prevailing conditions of decay may  
22 make impracticable the reclamation of the area by conservation or  
23 rehabilitation; that other areas or portions thereof may, through the  
24 means provided in the Community Development Law, be susceptible of  
25 conservation or rehabilitation in such a manner that the conditions and  
26 evils, hereinbefore enumerated, may be eliminated, remedied, or  
27 prevented; and that salvageable substandard and blighted areas can be  
28 conserved and rehabilitated through appropriate public action and the  
29 cooperation and voluntary action of the owners and tenants of property in  
30 such areas.

31 **Sec. 2.** Section 18-2103, Revised Statutes Supplement, 2025, is

1 amended to read:

2 18-2103 For purposes of the Community Development Law, unless the  
3 context otherwise requires:

4 (1) Affordable housing means (a) workforce housing, (b) housing  
5 targeted for households earning less than one hundred fifty percent of  
6 the median income for the county in which such housing is located, or (c)  
7 housing under section 42 of the Internal Revenue Code;

8 (2) Area of operation means and includes the area within the  
9 corporate limits of the city, the land that lies within the city's  
10 extraterritorial zoning jurisdiction, and such land outside the city and  
11 outside the city's extraterritorial zoning jurisdiction as may come  
12 within the purview of section sections 18-2123 and 18-2123.01;

13 (3) Authority means any community redevelopment authority created  
14 pursuant to section 18-2102.01 and any community development agency  
15 created pursuant to section 18-2101.01 and does not include a limited  
16 community redevelopment authority;

17 (4) Blighted area means an area (a) which, by reason of the presence  
18 of a substantial number of deteriorated or deteriorating structures,  
19 existence of defective or inadequate street layout, faulty lot layout in  
20 relation to size, adequacy, accessibility, or usefulness, insanitary or  
21 unsafe conditions, deterioration of site or other improvements, diversity  
22 of ownership, tax or special assessment delinquency exceeding the fair  
23 value of the land, defective or unusual conditions of title, improper  
24 subdivision, obsolete or no platting, ~~or~~ the existence of conditions  
25 which endanger life or property by fire and other causes, or the  
26 existence of underdeveloped parcels that have been within the  
27 extraterritorial zoning jurisdiction of the city for more than twenty-  
28 five years, or any combination of such factors, substantially impairs or  
29 arrests the sound growth of the community, retards the provision of  
30 housing accommodations, or constitutes an economic or social liability  
31 and is detrimental to the public health, safety, morals, or welfare in

1 its present condition and use and (b) in which there is at least one of  
2 the following conditions: (i) Unemployment in the designated area is at  
3 least one hundred twenty percent of the state or national average; (ii)  
4 the average age of the residential or commercial units in the area is at  
5 least forty years; (iii) more than half of the plotted and subdivided  
6 property in an area is unimproved land that has been within the city for  
7 forty years and has remained unimproved during that time; (iv) the per  
8 capita income of the area is lower than the average per capita income of  
9 the city or village in which the area is designated; (v) the area has had  
10 either stable or decreasing population based on the last two decennial  
11 censuses; or (vi) less than twenty percent of the housing in the area is  
12 affordable housing. In no event shall a city of the metropolitan,  
13 primary, or first class designate more than thirty-five percent of the  
14 city and the city's extraterritorial zoning jurisdiction as blighted, a  
15 city of the second class shall not designate an area larger than fifty  
16 percent of the city and the city's extraterritorial zoning jurisdiction  
17 as blighted, and a village shall not designate an area larger than one  
18 hundred percent of the village and the village's extraterritorial zoning  
19 jurisdiction as blighted. A redevelopment project involving a formerly  
20 used defense site as authorized under section 18-2123.01, any area which  
21 is located within a good life district established under the Good Life  
22 Transformational Projects Act, and any area declared to be an extremely  
23 blighted area under section 18-2101.02 shall not count towards the  
24 percentage limitations contained in this subdivision;

25 (5) Bonds means any bonds, including refunding bonds, notes, interim  
26 certificates, debentures, or other obligations issued pursuant to the  
27 Community Development Law except for bonds issued pursuant to section  
28 18-2142.04;

29 (6) Business means any private business located in an enhanced  
30 employment area;

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

1 (8) Clerk means the clerk of the city or village;

2 (9) Community redevelopment area means a substandard and blighted  
3 area which the community redevelopment authority designates as  
4 appropriate for a redevelopment project;

5 (10) Employee means a person employed at a business as a result of a  
6 redevelopment project;

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

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

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

19 (14) Extremely blighted area means: a

20           (a) A substandard and blighted area in which: (i) (a) The average  
21       rate of unemployment in the area during the period covered by the most  
22       recent American Community Survey 5-Year Estimate is at least one hundred  
23       fifty two hundred percent of the average rate of unemployment in the  
24       state during the same period; and (ii) (b) the average poverty rate in  
25       the area exceeds fifteen twenty percent for the total federal census  
26       tract or tracts or federal census block group or block groups in the  
27       area; or

28 (b) A substandard and blighted area that has a higher-than-average  
29 unemployment rate and a higher-than-average poverty rate when compared to  
30 the rest of the state, as determined by the governing body of the city.  
31 In making such determination, the governing body may use any information

1   available to such governing body. This subdivision (b) shall only apply  
2   if the governing body determines that the federal data described in  
3   subdivision (14)(a) of this section is unreliable or lacking for the area  
4   in question;

5           (15) Federal government means the United States of America, or any  
6   agency or instrumentality, corporate or otherwise, of the United States  
7   of America;

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

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

14           (18) Mayor means the mayor of the city or chairperson of the board  
15   of trustees of the village;

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

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

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

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

30           (23) Person means any individual, firm, partnership, limited  
31   liability company, corporation, company, association, joint-stock

1 association, or body politic and includes any trustee, receiver,  
2 assignee, or other similar representative thereof;

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

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

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

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

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

26 (29) Redevelopment project means any work or undertaking in one or  
27 more community redevelopment areas: (a) To acquire substandard and  
28 blighted areas or portions thereof, including lands, structures, or  
29 improvements the acquisition of which is necessary or incidental to the  
30 proper clearance, development, or redevelopment of such substandard and  
31 blighted areas; (b) to clear any such areas by demolition or removal of

1 existing buildings, structures, streets, utilities, or other improvements  
2 thereon and to install, construct, or reconstruct streets, utilities,  
3 parks, playgrounds, public spaces, public parking facilities, sidewalks  
4 or moving sidewalks, convention and civic centers, bus stop shelters,  
5 lighting, benches or other similar furniture, trash receptacles,  
6 shelters, skywalks and pedestrian and vehicular overpasses and  
7 underpasses, enhancements to structures in the redevelopment plan area  
8 which exceed minimum building and design standards in the community and  
9 prevent the recurrence of substandard and blighted conditions, and any  
10 other necessary public improvements essential to the preparation of sites  
11 for uses in accordance with a redevelopment plan; (c) to sell, lease, or  
12 otherwise make available land in such areas for residential,  
13 recreational, commercial, industrial, or other uses, including parking or  
14 other facilities functionally related or subordinate to such uses, or for  
15 public use or to retain such land for public use, in accordance with a  
16 redevelopment plan; and may also include the preparation of the  
17 redevelopment plan, the planning, survey, and other work incident to a  
18 redevelopment project and the preparation of all plans and arrangements  
19 for carrying out a redevelopment project; (d) to dispose of all real and  
20 personal property or any interest in such property, or assets, cash, or  
21 other funds held or used in connection with residential, recreational,  
22 commercial, industrial, or other uses, including parking or other  
23 facilities functionally related or subordinate to such uses, or any  
24 public use specified in a redevelopment plan or project, except that such  
25 disposition shall be at its fair value for uses in accordance with the  
26 redevelopment plan; (e) to acquire real property in a community  
27 redevelopment area which, under the redevelopment plan, is to be repaired  
28 or rehabilitated for dwelling use or related facilities, repair or  
29 rehabilitate the structures, and resell the property; (f) to carry out  
30 plans for a program of voluntary or compulsory repair, rehabilitation, or  
31 demolition of buildings in accordance with the redevelopment plan; and

1 (g) to carry out construction of affordable housing; and (h) to carry out  
2 the development of underdeveloped parcels that have been within the  
3 extraterritorial zoning jurisdiction of the city for more than twenty-  
4 five years;

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

9 (31) Rural community means any municipality in a county with a  
10 population of fewer than one hundred thousand inhabitants as determined  
11 by the most recent federal decennial census;

12 (32) Substandard area means (a) an area in which less than twenty  
13 percent of the housing is affordable housing, (b) an area or in which  
14 there is a predominance of buildings or improvements, whether  
15 nonresidential or residential in character, which, by reason of  
16 dilapidation, deterioration, age or obsolescence, inadequate provision  
17 for ventilation, light, air, sanitation, or open spaces, high density of  
18 population and overcrowding, or the existence of conditions which  
19 endanger life or property by fire and other causes, or any combination of  
20 such factors, is conducive to ill health, transmission of disease, infant  
21 mortality, juvenile delinquency, and crime, (which cannot be remedied  
22 through construction of prisons), and is detrimental to the public  
23 health, safety, morals, or welfare, or (c) an area within the city's  
24 extraterritorial zoning jurisdiction that contains underdeveloped parcels  
25 that have been underdeveloped for more than twenty-five years; and

26 (33) Workforce housing means:

27 (a) Housing that meets the needs of today's working families;  
28 (b) Housing that is attractive to new residents considering  
29 relocation to a rural community;

30 (c) Owner-occupied housing units that cost not more than two hundred  
31 seventy-five thousand dollars to construct or rental housing units that

1 cost not more than two hundred thousand dollars per unit to construct.  
2 For purposes of this subdivision (c), housing unit costs shall be updated  
3 annually by the Department of Economic Development based upon the most  
4 recent increase or decrease in the Producer Price Index for all  
5 commodities, published by the United States Department of Labor, Bureau  
6 of Labor Statistics;

7 (d) Owner-occupied and rental housing units for which the cost to  
8 substantially rehabilitate exceeds fifty percent of a unit's assessed  
9 value; and

10 (e) Upper-story housing.

11 **Sec. 3.** Section 18-2108, Reissue Revised Statutes of Nebraska, is  
12 amended to read:

13 18-2108 An authority shall not acquire real property for a  
14 redevelopment project within the corporate limits of a city or a city's  
15 extraterritorial zoning jurisdiction unless the governing body of such  
16 the city in which the redevelopment project area is located has approved  
17 the redevelopment plan, as prescribed in section 18-2116 or 18-2155.

18 **Sec. 4.** Section 18-2123, Reissue Revised Statutes of Nebraska, is  
19 amended to read:

20 18-2123 Upon a determination, by resolution, of the governing body  
21 of the city in which such land is located, that the acquisition and  
22 development of undeveloped vacant land, not within a substandard and  
23 blighted area, is essential to the proper clearance or redevelopment of  
24 substandard and blighted areas or a necessary part of the general  
25 community redevelopment program of the city, ~~or that the acquisition and~~  
26 ~~development of land outside the city, but within a radius of three miles~~  
27 ~~thereof, is necessary or convenient to the proper clearance or~~  
28 ~~redevelopment of one or more substandard and blighted areas within the~~  
29 ~~city or is a necessary adjunct to the general community redevelopment~~  
30 ~~program of the city, the acquisition, planning, and preparation for~~  
31 ~~development or disposal of such land shall constitute a redevelopment~~

1 project which may be undertaken by the authority in the manner provided  
2 in the Community Development Law.

3 **Sec. 5.** Section 18-2123.01, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 18-2123.01 (1) Notwithstanding any other provisions of the Community  
6 Development Law to the contrary, a city may undertake a redevelopment  
7 project that includes real property located outside the corporate limits  
8 of such city and outside the city's extraterritorial zoning jurisdiction  
9 if the following requirements have been met:

10 (a) The real property located outside the corporate limits of the  
11 city and outside the city's extraterritorial zoning jurisdiction is a  
12 formerly used defense site;

13 (b) The formerly used defense site is located within the same county  
14 as the city approving such redevelopment project;

15 (c) The formerly used defense site is located within a sanitary and  
16 improvement district;

17 (d) The governing body of the city approving such redevelopment  
18 project passes an ordinance stating such city's intent to annex the  
19 formerly used defense site in the future; and

20 (e) The redevelopment project has been consented to by any city  
21 exercising extraterritorial jurisdiction over the formerly used defense  
22 site.

23 (2) For purposes of this section, formerly used defense site means  
24 real property that was formerly owned by, leased to, or otherwise  
25 possessed by the United States and under the jurisdiction of the United  
26 States Secretary of Defense. Formerly used defense site does not include  
27 missile silos.

28 (3) The inclusion of a formerly used defense site in any  
29 redevelopment project under this section shall not result in:

30 (a) Any change in the service area of any electric utility or  
31 natural gas utility unless such change has been agreed to by the electric

1 utility or natural gas utility serving the formerly used defense site at  
2 the time of approval of such redevelopment project; or

3 (b) Any change in the service area of any communications company as  
4 defined in section 77-2734.04 unless (i) such change has been agreed to  
5 by the communications company serving the formerly used defense site at  
6 the time of approval of such redevelopment project or (ii) such change  
7 occurs pursuant to sections 86-135 to 86-138.

8 (4) A city approving a redevelopment project under this section and  
9 the county in which the formerly used defense site is located may enter  
10 into an agreement pursuant to the Interlocal Cooperation Act in which the  
11 county agrees to reimburse such city for any services the city provides  
12 to the formerly used defense site after approval of the redevelopment  
13 project.

14 **Sec. 6.** Section 18-2147, Revised Statutes Supplement, 2025, is  
15 amended to read:

16 18-2147 (1) Any redevelopment plan as originally approved or as  
17 later modified pursuant to section 18-2117 may contain a provision that  
18 any ad valorem tax levied upon real property, or any portion thereof, in  
19 a redevelopment project for the benefit of any public body shall be  
20 divided, for the applicable period described in subsection (4) of this  
21 section, as follows:

22 (a) That portion of the ad valorem tax which is produced by the levy  
23 at the rate fixed each year by or for each such public body upon the  
24 redevelopment project valuation shall be paid into the funds of each such  
25 public body in the same proportion as are all other taxes collected by or  
26 for the body. When there is not a redevelopment project valuation on a  
27 parcel or parcels, the county assessor shall determine the redevelopment  
28 project valuation based upon the fair market valuation of the parcel or  
29 parcels as of January 1 of the year prior to the year that the ad valorem  
30 taxes are to be divided. The county assessor shall provide written notice  
31 of the redevelopment project valuation to the authority as defined in

1 section 18-2103 and the owner. The authority or owner may protest the  
2 valuation to the county board of equalization within thirty days after  
3 the date of the valuation notice. All provisions of section 77-1502  
4 except dates for filing of a protest, the period for hearing protests,  
5 and the date for mailing notice of the county board of equalization's  
6 decision are applicable to any protest filed pursuant to this section.  
7 The county board of equalization shall decide any protest filed pursuant  
8 to this section within thirty days after the filing of the protest. The  
9 county clerk shall mail a copy of the decision made by the county board  
10 of equalization on protests pursuant to this section to the authority or  
11 owner within seven days after the board's decision. Any decision of the  
12 county board of equalization may be appealed to the Tax Equalization and  
13 Review Commission, in accordance with section 77-5013, within thirty days  
14 after the date of the decision;

15 (b) That portion of the ad valorem tax on real property, as provided  
16 in the redevelopment contract, bond resolution, or redevelopment plan, as  
17 applicable, in the redevelopment project in excess of such amount, if  
18 any, shall be allocated to and, when collected, paid into a special fund  
19 of the authority to be used solely to pay the principal of, the interest  
20 on, and any premiums due in connection with the bonds of, loans, notes,  
21 or advances of money to, or indebtedness incurred by, whether funded,  
22 refunded, assumed, or otherwise, such authority for financing or  
23 refinancing, in whole or in part, the redevelopment project. When such  
24 bonds, loans, notes, advances of money, or indebtedness, including  
25 interest and premiums due, have been paid, the authority shall so notify  
26 the county assessor and county treasurer and all ad valorem taxes upon  
27 taxable real property in such a redevelopment project shall be paid into  
28 the funds of the respective public bodies. An authority may use a single  
29 fund for purposes of this subdivision for all redevelopment projects or  
30 may use a separate fund for each redevelopment project; and

31 (c) Any interest and penalties due for delinquent taxes shall be

1 paid into the funds of each public body in the same proportion as are all  
2 other taxes collected by or for the public body.

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

8 (3)(a) For any redevelopment plan located in a city of the  
9 metropolitan class that includes a division of taxes, as provided in this  
10 section, that produces, in whole or in part, funds to be used directly or  
11 indirectly for (i) new construction, rehabilitation, or acquisition of  
12 housing for households with annual incomes below the area median income  
13 for households and located within six hundred yards of a public passenger  
14 streetcar or (ii) new construction, rehabilitation, or acquisition of  
15 single-family housing or condominium housing used as primary residences  
16 for individuals with annual incomes below the area median income for  
17 individuals, such housing shall be deemed related to the redevelopment  
18 plan that authorized such division of taxes regardless of whether such  
19 housing is or will be located on real property within such redevelopment  
20 plan, as long as such housing supports activities occurring on or  
21 identified in such redevelopment plan.

22 (b) During each fiscal year in which the funds described in  
23 subdivision (a) of this subsection are available, the authority and city  
24 shall make best efforts to allocate not less than thirty percent of such  
25 funds to single-family housing deemed related to the redevelopment plan  
26 described under such subdivision.

27 (c) In selecting projects to receive funding, the authority and city  
28 shall develop a qualified allocation plan and give first priority to  
29 financially viable projects that serve the lowest income occupants for  
30 the longest period of time.

31 (4)(a) For any redevelopment plan for which more than fifty percent

1 of the property in the redevelopment project area has been declared an  
2 extremely blighted area in accordance with section 18-2101.02, ad valorem  
3 taxes shall be divided for a period not to exceed twenty years after the  
4 effective date as identified in the project redevelopment contract or in  
5 the resolution of the authority authorizing the issuance of bonds  
6 pursuant to section 18-2124.

7 (b) For all other redevelopment plans, ad valorem taxes shall be  
8 divided for a period not to exceed fifteen years after the effective date  
9 as identified in the project redevelopment contract, in the resolution of  
10 the authority authorizing the issuance of bonds pursuant to section  
11 18-2124, or in the redevelopment plan, whichever is applicable.

12 (5) The effective date of a provision dividing ad valorem taxes as  
13 provided in subsection (4) of this section shall not occur until such  
14 time as the real property in the redevelopment project is within the  
15 corporate boundaries of the city or within the city's extraterritorial  
16 zoning jurisdiction. This subsection shall not apply to a redevelopment  
17 project involving a formerly used defense site as authorized in section  
18 18-2123.01.

19 (6) All notices of the provision for dividing ad valorem taxes shall  
20 be sent by the authority to the county assessor on forms prescribed by  
21 the Property Tax Administrator. The notice shall be sent to the county  
22 assessor on or before July 1 of the year of the effective date of the  
23 provision. Failure to satisfy the notice requirement of this section  
24 shall result in the taxes, for all taxable years affected by the failure  
25 to give notice of the effective date of the provision, remaining  
26 undivided and being paid into the funds for each public body receiving  
27 property taxes generated by the property in the redevelopment project.  
28 However, the redevelopment project valuation for the remaining division  
29 of ad valorem taxes in accordance with subdivisions (1)(a) and (b) of  
30 this section shall be the last certified valuation for the taxable year  
31 prior to the effective date of the provision to divide the taxes for the

1 remaining portion of the twenty-year or fifteen-year period pursuant to  
2 subsection (4) of this section.

3 **Sec. 7.** Section 18-2155, Revised Statutes Cumulative Supplement,  
4 2024, is amended to read:

5 18-2155 (1) The governing body of a city may elect by resolution to  
6 allow expedited reviews of redevelopment plans that meet the requirements  
7 of subsection (2) of this section. A redevelopment plan that receives an  
8 expedited review pursuant to this section shall be exempt from the  
9 requirements of sections 18-2111 to 18-2115 and 18-2116.

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

12 (a) The redevelopment plan includes only one redevelopment project;  
13 (b) The redevelopment project involves:

14 (i) The repair, rehabilitation, or replacement of an existing  
15 structure that has been within the corporate limits of the city or the  
16 city's extraterritorial zoning jurisdiction for at least sixty years and  
17 is located within a substandard and blighted area; or

18 (ii) The redevelopment of a vacant lot that is located within a  
19 substandard and blighted area that has been within the corporate limits  
20 of the city or the city's extraterritorial zoning jurisdiction for at  
21 least sixty years and has been platted for at least sixty years;

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

24 (d) The assessed value of the property within the redevelopment  
25 project area when the project is complete is estimated to be no more  
26 than:

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

29 (ii) One million five hundred thousand dollars for a redevelopment  
30 project involving a multi-family residential structure or commercial  
31 structure; or

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

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

30 (c) The governing body shall determine whether to approve or deny  
31 the redevelopment plan within thirty days after submission of the plan. A

1 redevelopment plan may be denied if:

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

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

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

8 (5) Each city may select the appropriate employee or department to  
9 conduct expedited reviews pursuant to this section.

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

12 (a) The authority shall incur indebtedness related to the  
13 redevelopment project which shall not exceed the lesser of the agreed-  
14 upon costs of the redevelopment project or the amount estimated to be  
15 generated over a fifteen-year period from the portion of taxes mentioned  
16 in subdivision (1)(b) of section 18-2147. Such indebtedness shall not  
17 create a general obligation on behalf of the authority or the city in the  
18 event that the amount generated over a fifteen-year period from the  
19 portion of taxes mentioned in subdivision (1)(b) of section 18-2147 does  
20 not equal the costs of the agreed-upon work to repair, rehabilitate, or  
21 replace the structure or to redevelop the vacant lot as provided in the  
22 redevelopment plan;

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

27 (c) The county assessor shall then determine:

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

31 (ii) The assessed value of the property within the redevelopment

1 project area.

2 (7) After the county assessor makes the determinations required  
3 under subdivision (6)(c) of this section, the county assessor shall use a  
4 standard certification form developed by the Department of Revenue to  
5 certify to the authority:

6 (a) That improvements have been made and completed;  
7 (b) That a valuation increase has occurred;  
8 (c) The amount of the valuation increase; and  
9 (d) That the valuation increase was due to the improvements made.

10 (8) Once the county assessor has made the certification required  
11 under subsection (7) of this section, the authority may begin to use the  
12 portion of taxes mentioned in subdivision (1)(b) of section 18-2147 to  
13 pay the indebtedness incurred by the authority under subdivision (6)(a)  
14 of this section.

15 (9) The payments shall be remitted to the holder of the  
16 indebtedness. The changes made to this subsection by Laws 2023, LB531,  
17 shall be retroactive in application and shall apply to redevelopment  
18 plans approved prior to, on, or after June 7, 2023.

19 (10) A single fund may be used for all redevelopment projects that  
20 receive an expedited review pursuant to this section. It shall not be  
21 necessary to create a separate fund for any such project, including a  
22 project financed in whole or in part through the division of taxes as  
23 provided in section 18-2147.

24 (11) The governing body of a city that elects to allow expedited  
25 reviews of redevelopment plans under this section may revoke such  
26 election by resolution at any time. The revocation of such election shall  
27 not affect the validity of (a) any redevelopment plan or redevelopment  
28 project that was approved under this section prior to the revocation of  
29 such election or (b) any indebtedness incurred by the authority under  
30 subdivision (6)(a) of this section prior to the revocation of such  
31 election.

1           **Sec. 8.** Original sections 18-2108, 18-2123, and 18-2123.01, Reissue  
2   Revised Statutes of Nebraska, section 18-2155, Revised Statutes  
3   Cumulative Supplement, 2024, and sections 18-2102, 18-2103, and 18-2147,  
4   Revised Statutes Supplement, 2025, are repealed.