

LEGISLATIVE BILL 90

Approved by the Governor May 13, 2025

Introduced by Clouse, 37; Clements, 2; Quick, 35.

A BILL FOR AN ACT relating to improvement districts; to amend sections 16-617, 16-617.01, 16-618, 16-619, 16-620, 16-621, 16-622, 16-623, and 16-624, Reissue Revised Statutes of Nebraska; to change provisions relating to establishment and creation of improvement districts, funding and costs of improvements, included property, notice of creation, objections of property owners, bids, special assessments, and bonds; to redefine a term; to harmonize provisions; and to repeal the original sections.

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

Section 1. Section 16-617, Reissue Revised Statutes of Nebraska, is amended to read:

16-617 The mayor and city council of any city of the first class shall have power to construct and make improvements of any street, streets, alley, alleys, sidewalk, sidewalks, public way, public ways, other public spaces, or any part of any street, streets, alley, or alleys, sidewalk, sidewalks, public way, public ways, or other public spaces, in the city, a street which divides the corporate limits of the city and the area adjoining the city, or within a county industrial area as defined in section 13-1111 contiguous to such city, and for that purpose to create suitable improvement districts, which shall be consecutively numbered, and such work shall be done under contract. Such districts may include properties within the corporate limits, adjoining the corporate limits, and within county industrial areas as defined in section 13-1111 contiguous to such cities. The improvements in such districts may be funded at public cost or by the levy of special assessments on the property especially benefited in proportion to such benefits. The mayor and city council shall create an improvement district or districts by ordinance.

Sec. 2. Section 16-617.01, Reissue Revised Statutes of Nebraska, is amended to read:

16-617.01 As used in sections 16-617 to 16-649, improvement shall include, but shall not be limited to, paving, repaving, graveling, grading, curbing, guttering, and the construction and replacement of pedestrian walks, plazas, malls, landscaping, lighting systems, and permanent facilities used in an improvement district connection therewith.

Sec. 3. Section 16-618, Reissue Revised Statutes of Nebraska, is amended to read:

16-618 Any improvement district created pursuant to section 16-617 may shall include only portions of different streets, or portions of alleys, sidewalks, public ways, or other public spaces or portions of each, which abut, intersect, or adjoin, and may include two or more types of improvements in a single district in one ordinance so that such district, when created, makes up one continuous or extended street or more, except that the district may include a cul de sac, any street, alley, or portion thereof which is closed at one end or which connects with only one other existing street, alley, or portion thereof. Any improvement district may include portions of different streets, or portions of different alleys, or portions of each, if they abut or connect with each other, or if the several portions abut on pavement or gravel already laid, or any other of improvements already laid.

Sec. 4. Section 16-619, Reissue Revised Statutes of Nebraska, is amended to read:

16-619 For every improvement district within which any of the improvements are to be funded by a levy of special assessments on the property especially benefited, after The mayor and city council of any city of the first class exercising authority to make improvements as provided under section 16-617 shall, by ordinance, create an improvement district or districts. After the passage, approval, and publication of an such ordinance creating such district, the city clerk shall publish notice of the creation of any such district or districts one time each week for not less than twenty days in a legal newspaper in or of general circulation in the city.

Sec. 5. Section 16-620, Reissue Revised Statutes of Nebraska, is amended to read:

16-620 After publication of a notice required by section 16-619, if If the owners of the record title at the time of such publication representing more than fifty percent of the front footage of the property abutting, intersecting, or adjoining any continuous or extended street, cul de sac, or alley of an improvement district created pursuant to section 16-617, or portion thereof which is closed at one end, and who were such owners at the time the ordinance creating such district was published, shall file with the city clerk, within twenty days from the first publication of such notice, written objections to the creation improvement of such a district, such work shall not be done in such district under such ordinance, but such ordinance shall be repealed by the mayor and city council. If objections are not filed against any district in the time and manner provided in this section, the mayor and city council shall forthwith proceed to construct improvements such improvement.

Sec. 6. Section 16-621, Reissue Revised Statutes of Nebraska, is amended to read:

16-621 (1) In advertising for bids for paving, repaving, graveling, or macadamizing, the mayor and city council of a city of the first class may provide for bids on different materials and types of construction.

(2)(a) In advertising for bids for improvements in an improvement district formed pursuant to section 16-624, the mayor and city council of a city of the first class, ~~and shall in addition~~ provide for asking bids on any material or materials that may be suggested by petition of owners of the record title representing twenty-five percent of the abutting property owners in such an improvement district, if such petition is filed with the city clerk before advertisement for bids is ordered.

(b) On opening of bids for paving or repaving in any such district, the mayor and city council shall postpone action thereon for a period of not less than ten days.

(c) During such period of postponement, the owners of the record title representing a majority of the abutting property owners in such a district may file with the city clerk a petition for the use of a particular material for paving for which a bid has been received, in which event a bid on that material shall be accepted and the work shall be done with that material.

(d) The regulations as to advertising for bids and opening of bids and postponing of action thereon and the right of selection of materials shall not apply in case of graveling for such district.

(e) In case such owners in such district fail to designate the material the owners they desire used in such paving or repaving, or macadamizing, in the manner and within the time provided in this section, the mayor and city council shall determine the material to be used.

(3) The mayor and city council may reject all bids and readvertise if, in their judgment, the public interest requires.

Sec. 7. Section 16-622, Reissue Revised Statutes of Nebraska, is amended to read:

16-622 The cost of making improvements of the streets and alleys within any improvement district created pursuant to section ~~16-617 16-619~~ or 16-624, which are to be funded by the levy of special assessments on the property especially benefited in proportion to such benefits, shall be assessed upon the lots and lands in such districts specially benefited thereby in proportion to such benefits. The amounts thereof shall, except as provided in sections 19-2428 to 19-2431, be determined by the mayor and city council under section 16-615. The assessment of the special tax for the cost of such improvements, except as provided in this section, shall be levied at one time and shall become delinquent in equal annual installments over such period of years, not to exceed twenty, as the mayor and city council may determine at the time of making the levy, the first such installment to become delinquent in fifty days after the date of such levy. Each installment, including those for graveling and the construction and replacement of pedestrian walks, plazas, malls, landscaping, lighting systems, and permanent facilities used in connection therewith as provided in this section, except the first, shall draw interest at a rate established by the mayor and city council not exceeding the rate of interest specified in section 45-104.01, as such rate may from time to time be adjusted by the Legislature, from the time of levy until the levy becomes delinquent. After the levy becomes delinquent, interest at the rate specified in section 45-104.01, as such rate may from time to time be adjusted by the Legislature, shall be paid thereon. Should there be three or more installments delinquent and unpaid on the same property, the mayor and city council may by resolution declare all future installments on such delinquent property to be due on a future fixed date. The resolution shall set forth the description of the property and the names of its record title owners and shall provide that all future installments shall become delinquent upon the date fixed. A copy of such resolution shall be published one time each week for not less than twenty days in a legal newspaper in or of general circulation in the city, and after the fixed date such future installments shall be deemed to be delinquent and the city may proceed to enforce and collect the total amount due and all future installments. For assessments for graveling alone and without guttering or curbing, one-third of the total amount assessed against each lot or parcel of land shall become delinquent in fifty days after the date of the levy of the same, one-third in one year, and one-third in two years. The entire cost of improving any street, avenue, or alley, properly chargeable to any lot or land within any such district, may be paid by the owners of such lots or lands within fifty days after the levying of such special assessments, and thereupon such lots or lands shall be exempt from any lien or charge therefor.

Sec. 8. Section 16-623, Reissue Revised Statutes of Nebraska, is amended to read:

16-623 For the purpose of paying the cost of improvements to be made ~~improving the streets, avenues, or alleys in an improvement district created pursuant to section 16-617 16-619 or 16-624, exclusive of intersections of streets or avenues, or spaces opposite alleys therein~~, the mayor and city council shall have power and may, by ordinance, cause to be issued bonds of the city, ~~to be called Street Improvement Bonds of District No.~~, payable in not exceeding twenty years from date of the original issue of such bonds, and bearing interest, payable as provided in the ordinance authorizing such bonds ~~either annually or semiannually, with interest coupons attached~~. In such cases the mayor and city council they shall also provide that any the special taxes and assessments imposed pursuant to section 16-622 shall constitute a sinking

~~fund for the payment of the bonds. The entire cost of improving any such street, avenue, or alley, properly chargeable to any lot or land within any such improvement district according to the front footage thereof, may be paid by the owners of such lots or lands within fifty days from the levying of such special taxes, and thereupon such lot or lands shall be exempt from any lien or charge therefor.~~

Sec. 9. Section 16-624, Reissue Revised Statutes of Nebraska, is amended to read:

16-624 Whenever the owners of lots or lands abutting upon any street, avenue, or alley within a city of the first class, representing three-fourths of the front footage thereon, so that an improvement district when created will make up one continuous or extended thoroughfare or more, shall petition the mayor and city council to make improvement of such street, avenue, or alley without cost to the city, and to assess the entire cost of any such improvements in any such street, avenue, or alley, including intersections of streets or avenues and spaces opposite alleys, against the private property within such improvement district or districts, it shall be the duty of the mayor and city council to create the proper improvement district or districts, which shall be consecutively numbered, and to improve the same and to proceed in the same manner and form as provided for in other improvement districts. The mayor and city council shall have power to levy the entire cost of such improvements of any such street, avenue, or alley, including intersections of streets or avenues and spaces opposite alleys, against the private property within such district, and to issue street improvement bonds ~~Street Improvement Bonds of District No.~~ to pay for such improvements in the same manner and form as provided for in other improvement bonds. Such bonds shall be issued to cover the entire cost of so improving such streets or avenues, intersections of the same, and spaces opposite alleys. If the assessments provided for, or any part thereof, shall fail, or for any reason shall be invalid, the mayor and city council may make other and further assessments upon such lots or lands as may be required to collect from the same the cost of any improvements properly chargeable thereto, as provided in this section. The mayor and city council shall have the discretion to deny the formation of the proposed district when the area to be improved has not previously been improved with a water system, sewer system, and grading of streets. If the mayor and city council should deny a requested improvement district formation, they shall state their grounds for such denial in a written letter to interested parties.

Sec. 10. Original sections 16-617, 16-617.01, 16-618, 16-619, 16-620, 16-621, 16-622, 16-623, and 16-624, Reissue Revised Statutes of Nebraska, are repealed.