



CITY OF LINCOLN
NEBRASKA

MAYOR CHRIS BEUTLER

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To: Lincoln City Council Members
From: David Landis, Director
Date: September 23, 2008
Subject: Lincoln Flats/Bank of the West Redevelopment Project
Amendment to the Lincoln Center Redevelopment Plan

Attached for your review is an amendment to the Lincoln Center Redevelopment Plan to reflect the Lincoln Flats/Bank of the West Redevelopment Redevelopment Project (see Exhibit A).

Section 18-2113, of the Community Development Law requires the City to review the project and find that the proposed land uses and building requirements in the Project Area are designed with the general purpose of accomplishing, in conformance with the general plan, a coordinated, adjusted, and harmonious development of the City and its environs, which will, in accordance with present and future needs, promote health, safety, morals, order, convenience, prosperity, and general welfare, as well as efficiency and economy in the process of development. On September 10, the Project Area and project components, including proposed land uses and building were found to be in conformance with the Comprehensive Plan, the City's guiding plan for the protection of public health and safety and sound planning. The Urban Development Department also finds that the project is in conformance with the existing Lincoln Center Redevelopment Plan, which outlines the redevelopment goals and activities planned for the prevention and elimination of blight, and Downtown Master Plan.

Section 18-2114 of the Community Development Law requires that proposed amendments to the plan be accompanied with a statement that addresses the following areas: 1) proposed method and costs of acquisition, 2) proposed methods and costs of redevelopment of the project area; 3) estimated proceeds or revenue from disposal to developers; 4) methods proposed for financing projects; and 5) feasible method proposed for relocating families to be displaced by the project.

1. No property is planned to be acquired with this project. If this project requires the City to acquire property, the funding source for this acquisition would be tax increment financing generated within the project area. The City would not use eminent domain to acquire property.
- 2 & 3. The total estimated public cost for the project is \$595,000. The total public cost will be funded through tax increment financing generated by the private development within the project area.

4. Following City Council approval of the redevelopment agreement negotiated between the City and developer(s), the City will either issue and sell Community Improvement Financing bonds or notes to fund the public improvements related to these projects, or permit the developer to finance the project through a Developer-Purchased debt instrument.
5. There will be no relocation of families as a result of the project or project amendment.

In addition, Section 18-2116 of the Community Development Law requires the City Council to make the following findings before authorizing the use of Community Development Financing:

- the redevelopment project and plan would not be economically feasible without the use of Tax Increment Financing; and,
- the redevelopment project would not occur in the Community Development area without the use of Tax Increment Financing.

Per Section 18-2116, the costs and benefits of the redevelopment project, including costs and benefits to other affected political subdivisions, the economy of the community, and the demand for public and private services have been analyzed and found to be in the long-term best interest of the City. The Urban Development Department believes that the public improvements included in this plan amendment would not occur “but for” the Tax Increment Financing generated by private redevelopment within the project area. While some improvements may be completed without TIF, the project as proposed would not. Exhibit B consists of a cost benefit analysis of the Lincoln Flats/BOTW Redevelopment Project and shows the TIF funds estimated to be generated by the project.

The revitalization of Downtown Lincoln is in the best interest of the City. Downtown Lincoln is currently the entertainment, social, and cultural hub of the City, as well as the employment center. The City is working to create a 24-hour livable community Downtown that would further support the central business district. The public investment will support the 24-hour community by supporting the private development additional residential units. The Urban Development Department recommends your approval of the Lincoln Flats/Bank of the West Redevelopment Project Amendment to the Lincoln Center Redevelopment Plan.

Following the approval of the Plan Amendment, the following steps will occur in the implementation of the project:

- Negotiate redevelopment agreement with the developers and submit to City Council for approval.
- Request approval from City Council for the issuance of Community Improvement Financing bonds or notes, and issue and sell bonds or notes, if needed.
- Select architects/engineers pursuant to city standard practice to design public improvements.
- Approve the public improvement design.
- Competitively select primary contractor to construct public improvements.
- Construct public facilities and improvements.

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