

FACTSHEET

TITLE: STREET & ALLEY VACATION NO. 05013, requested by Farmers Mutual Insurance Company, to vacate the east/west alley in Block 121, Original Lincoln, bounded by 12th and 13th Streets, and K Street and Lincoln Mall, generally located at South 13th and K Streets.

STAFF RECOMMENDATION: A finding of conformance with the Comprehensive Plan.

SPONSOR: Planning Department

BOARD/COMMITTEE: Planning Commission
Public Hearing: Consent Agenda: 01/18/06
Administrative Action: 01/18/06

RECOMMENDATION: A finding of conformance with the Comprehensive Plan (8-0: Carlson, Carroll, Esseks, Krieser, Larson, Strand, Sunderman and Taylor voting 'yes'; Pearson absent).

FINDINGS OF FACT:

1. The purpose of this proposed alley vacation is to facilitate the redevelopment of the block into office buildings.
2. The staff recommendation to find the proposed alley vacation to be in conformance with the Comprehensive Plan is based upon the "Analysis" as set forth on p.2-3, concluding that alleys in the Downtown serve a vital role in the overall function of the area. They are an important feature in the one-way street system, offer opportunities for additional building access and provide areas for delivery and refuse removal functions. Alleys in the Downtown should not be vacated unless they are part of an overall redevelopment of a block that further enhances the urban streetscape. The vacation of this right-of-way may conform to the Comprehensive Plan, provided an overall site plan is submitted and the project is approved by the Capitol Environs Commission.
3. On January 18, 2006, this application appeared on the Planning Commission Consent Agenda and was opened for public hearing. No one came forward to speak.
4. On January 18, 2006, the Planning Commission agreed with the staff recommendation and voted 8-0 to find the proposed alley vacation to be in conformance with the Comprehensive Plan.
5. The appraisal by the City Real Estate Division is found on p.13.
6. The petitioner has complied with the provisions of Chapter 14.20 of the Lincoln Municipal Code.

FACTSHEET PREPARED BY: Jean L. Walker

DATE: May 8, 2006

REVIEWED BY: _____

DATE: May 8, 2006

REFERENCE NUMBER: FS\CC\2006\SAV.05013

LINCOLN CITY/LANCASTER COUNTY PLANNING STAFF REPORT

for January 18, 2006 PLANNING COMMISSION MEETING

- PROJECT #:** Street/Alley Vacation #05013
- PROPOSAL:** Vacate the east/west alley in Block 121, bounded by 12th, 13th, and K Streets, and Lincoln Mall.
- LOCATION:** South 13th and “K” Streets.
- LAND AREA:** 4,800 square feet, more or less.
- CONCLUSION:** Alleys in the Downtown serve a vital role in the overall function of the area. They are an important feature in the one-way street system, offer opportunities for additional building access, and provide areas for delivery and refuse removal functions. Alleys in the Downtown should not be vacated unless they are part of an overall redevelopment of a block that further enhances the urban streetscape. The vacation of this right-of-way may conform to the Comprehensive Plan, provided an overall site plan is provided, and the project is approved by the Capitol Environs Commission.

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| <u>RECOMMENDATION:</u> | Conforms to the Comprehensive Plan |
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GENERAL INFORMATION:

LEGAL DESCRIPTION: The east/west alley in Block 121, Original Lincoln, bounded by 12th, 13th, and K Streets, and Lincoln Mall, located in the NE 1/4 of Section 26 T10N R6E, Lancaster County, Nebraska.

SURROUNDING LAND USE AND ZONING:

| | | |
|--------|--------|-----------------------------|
| North: | Office | B-4 Lincoln Center Business |
| South: | Office | O-1 Office |

COMPREHENSIVE PLAN SPECIFICATIONS: The Land Use Plan identifies the property surrounding this right-of-way as Commercial. (F 25)

ANALYSIS:

1. This is a request to vacate an alley within the Downtown to facilitate the redevelopment of the block into office buildings. This right-of-way currently provides access to surface parking lots.

2. Alleys in the Downtown are important features, providing options to the one-way street system for vehicular traffic and allowing alternative building access for pedestrians. Moreover, alleys provide a safe, off-street location for deliveries and refuse collection.
3. Unlike other locations around town, blocks and alleys in Downtown are highly visible elements of a pedestrian environment. Some uses of alleys are therefore more appropriate than others; for example, a new office building with perimeter landscaping would enhance the streetscape more than additional surface parking. However, since additional parking is important to vehicular traffic in Downtown, parking lots should not be prevented, but should provide safe and appealing environments for pedestrians. For these reasons, a site plan for the proposed development should be presented and approved prior to the transfer of title to this right-of-way.
4. This property surrounding this alley is located along Lincoln Mall, and is within the Capitol Environs District. Therefore, the petitioner is required to present this application to the Capitol Environs Commission for a recommendation, and further, will be required to submit building plans to the Commission for approval before any redevelopment activities can occur. Since this Commission has authority to approve or deny the redevelopment of this block, it would be appropriate for the City to defer site plan review to this body.
5. Petitioner has presented this project to the Commission at least twice, and the minutes of each meeting are attached. The Commission has approved a Certificate of Appropriateness contingent upon a conceptual plan being submitted to the Commission prior to the demolition of any existing buildings.
6. The existing street returns may or may not be necessary as part of the redeveloped site. Public Works may require that the street returns be removed at the petitioner's cost.
7. The vacation of this right-of-way will not create lots without frontage and access to a public street.
8. There are existing public facilities located within this right-of-way. Easements must be retained for these and future facility needs. However, petitioner may work with individual utilities to identify alternative easements to serve their needs. Easements must be identified and retained prior to the transfer of title to this right-of-way.
9. Applicant has indicated their intent to purchase this right-of-way if vacated.
10. Lincoln Municipal Code Chapter 14.20 requires the City to establish the proper price to be paid for the right-of-way, as well as any amounts necessary to guarantee required reconstruction within the right-of-way. These values must be established and deposited with the City Clerk prior to scheduling the vacation request with the City Council.

**BEFORE THE VACATION REQUEST IS SCHEDULED ON THE CITY COUNCIL AGENDA
THE FOLLOWING MUST BE COMPLETED:**

1. The provisions of Chapter 14.20 of the Lincoln Municipal Code must be met.

**PRIOR TO THE TRANSFER OF TITLE TO THIS PROPERTY, THE FOLLOWING MUST BE
COMPLETED:**

2. A site plan approved by the Capitol Environs Commission must be submitted.
3. A bond must be provided to guarantee the removal and reconstruction of existing street returns, if deemed necessary by the Public Works Department.
4. Any required easements must be retained by the City.

Prepared by:

Greg Czaplewski
441-7620, gczaplewski@lincoln.ne.gov
Planner

Date: January 9, 2006

Petitioner Farmers Mutual Insurance Company
and 1220 "J" Street
Owner: Lincoln, NE 68508

Contact Kim Biel
HWS Consulting Group
825 "J:" Street
Lincoln, NE 68508
479.2263

STREET & ALLEY VACATION NO. 05013

CONSENT AGENDA

PUBLIC HEARING & ADMINISTRATIVE ACTION

BEFORE PLANNING COMMISSION:

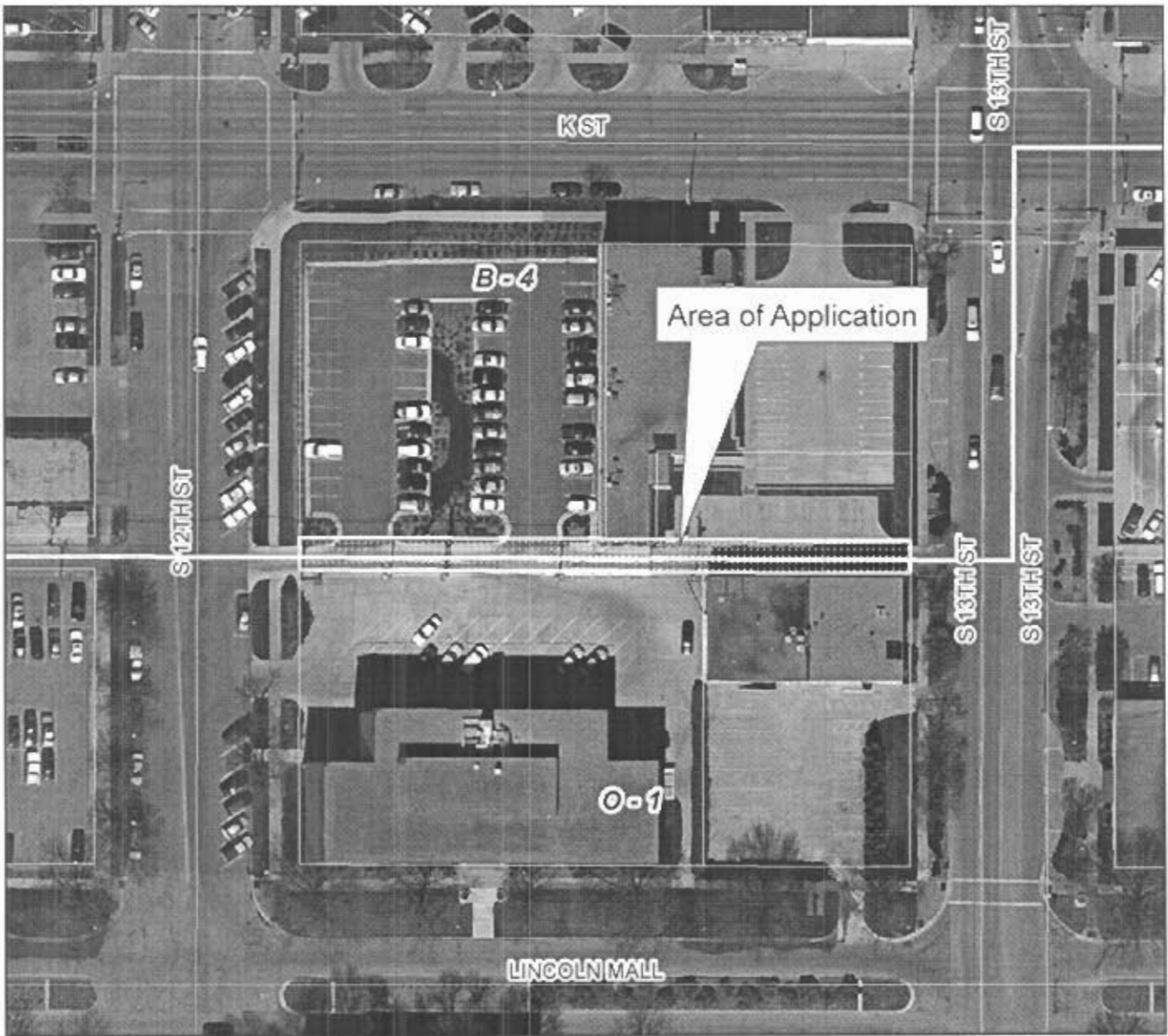
January 18, 2006

Members present: Carlson, Carroll, Esseks, Krieser, Larson, Strand, Sunderman and Taylor;
Pearson absent.

The Consent Agenda consisted of the following items: **COUNTY CHANGE OF ZONE NO. 05086, STREET AND ALLEY VACATION NO. 05012; and STREET AND ALLEY VACATION NO. 05013.**

Ex Parte Communications: None.

Taylor moved to approve the Consent Agenda, seconded by Strand and carried 8-0: Carlson, Carroll, Esseks, Krieser, Larson, Strand, Sunderman and Taylor voting 'yes'; Pearson absent.



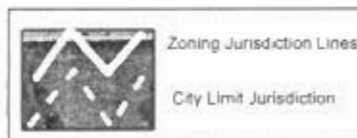
2005 aerial

Street & Alley Vacation #05013
S12th to 13th St between Lincoln Mall & K St

Zoning:

- R-1 to R-8 Residential District
- AG Agricultural District
- AGR Agricultural Residential District
- R-C Residential Conservation District
- O-1 Office District
- O-2 Suburban Office District
- O-3 Office Park District
- R-T Residential Transition District
- B-1 Local Business District
- B-2 Planned Neighborhood Business District
- B-3 Commercial District
- B-4 Lincoln Center Business District
- B-6 Planned Regional Business District
- H-1 Interstate Commercial District
- H-2 Highway Business District
- H-3 Highway Commercial District
- H-4 General Commercial District
- I-1 Industrial District
- I-2 Industrial Park District
- I-3 Employment Center District
- P Public Use District

One Square Mile
 Sec. 26 T10N R6E



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14th St.

A St.

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**FARMERS MUTUAL INSURANCE
COMPANY OF NEBRASKA**

**BLOCK 121
ALLEY VACATION**

MEETING RECORD

NAME OF GROUP: Nebraska Capitol Environs Commission

DATE, TIME AND PLACE OF MEETING: Thursday, June 23, 2005, 8:00 a.m., Room 206, County-City Building, 555 South 10th Street, Lincoln, Nebraska

MEMBERS AND OTHERS IN ATTENDANCE:

Members: V.J. Nelson and Jeff Searcy present. **Jim Hewitt, Karen Kilgarin, Thomas Laging, Patrick O'Donnell, and Kim Todd absent.**

Others: Matt Metcalf (Davis Design); Bryon Boslau, Jim Dobler and Greg Allen (Farmers Mutual of Nebraska); Mark Jobman (Sinclair Hille Architects); Will Scott (WRK, LLC); Dawn Bringelson (McPhee Elementary PTA); Jeff Cole (Urban Development Department); Ed Zimmer and Michele Abendroth (Planning Dept.)

STATED PURPOSE OF THE MEETING: Regular Meeting of the Nebraska Capitol Environs Commission

Chair Jeff Searcy called the meeting to order at 8:02 a.m.

Approval of meeting notes of April 28, 2005

Due to the lack of a quorum, the meeting notes were not voted upon.

Application by Davis Design on behalf of Farmers Mutual Insurance Company for a Certificate of Appropriateness for demolition of 1235 K Street and 525 S. 13th Street in the Capitol Environs District.

Zimmer noted that while there is not a quorum this month, the meeting today would serve as the initial hearing with final action taken at the next meeting.

Matt Metcalf of Davis Design stated that Farmers Mutual has requested to demolish the buildings on 1235 K Street and 525 S. 13th Street. In addition, there is a major sanitary line and overhead lines, and they would like to acquire the alley and re-route the utilities if possible. They have plans that tentatively approve the re-routing of these utilities. The goal is to get that block cleared in order to ultimately place a new building parallel to 13th Street. The plan is that the new building would be the new corporate headquarters and the old building would be converted to tenant space. They also intend to include some green space. He presented a report from HWS regarding the utility relocation.

Searcy asked if they would re-route the utilities underground. Metcalf replied that they would.

Zimmer stated that Bob Ripley, Capitol Administrator, expressed a concern about demolition prior to the entire plan being known.

Zimmer also noted that the Marvin Krout, Planning Director, expressed a concern with the alley vacation, primarily with the sequence of events.

Searcy asked when they plan to formally apply for vacation of the alley. Metcalf replied that they plan to do so pending approval from the Commission.

Miscellaneous

Update on work in public right-of-way at northeast corner of 14th and P Streets.

Jeff Cole stated that this is an update on a project previously approved by the Commission. He noted that Will and Robert Scott have developed the corner of 14th and P Streets. Several months ago, they came to the Commission with a proposal to do some improvements in the public right-of-way to create an entry on the corner of the building and have some outdoor dining. When that was approved, it required that the remaining sidewalk be adjusted to create more of a pedestrian access. In doing that, they felt it was a good opportunity to address the streetscape surrounding the entire building. Mark Jobman stated that they are considering placing park benches on the corner. They are also considering two new acorn lights as well. They will continue plantings of native grasses, roses and daylilies which are common on P Street. Further up on 14th Street, they would remove the current planting beds with the intention that they may possibly have a tenant with an outdoor café in the future. They would like to keep the current style of brick pavers. In terms of the timeline, they would like to have the restaurant open in August.

Zimmer stated that the Commission has previously approved the Certificate of Appropriateness with the request for an update as the landscape designs were developed. He suggested that the Commission could informally approve the project today. Searcy and Nelson did not express any concerns with the project and informally gave their approval of the project.

Landscape Plan for McPhee School

Zimmer stated that Kim Todd would like to do a joint landscape design project between Lincoln Public Schools and one of her horticulture design classes at the University. Scott Weiskamp of Lincoln Public Schools was very encouraged by the possibility of this effort. Dawn Bringelson, McPhee Parent/Teacher Association grant coordinator for the landscape project, stated that she would like to get the Commission's perception of the project and if it fits in with the vision for the capitol environs district. They plan to do a fall planting. She feels that the mentor partnership with the University is a great idea.

Searcy stated that getting the project started and gaining momentum is key.

The meeting was adjourned at 8:58 a.m.

MEETING RECORD

NAME OF GROUP:

Nebraska Capitol Environs Commission

DATE, TIME AND

PLACE OF MEETING:

Thursday, July 28, 2005, 8:00 a.m., Room 206, County-City Building, 555 South 10th Street, Lincoln, Nebraska

MEMBERS AND OTHERS

IN ATTENDANCE:

Members: Thomas Laging, V.J. Nelson, Patrick O'Donnell, Kim Todd and Jeff Searcy present. **Jim Hewitt and Karen Kilgarin absent.**

Others: Matt Metcalf (Davis Design); Bryon Boslau and Jim Dobler (Farmers Mutual of Nebraska); Rob Olson (Clark Enersen Partners); Tim Mettenbrink and Ross McCown (Nebco); Scott Wieskamp (Lincoln Public Schools); Diane Kann (Highnooners); Jeff Cole (Urban Development); Lynn Johnson and Terry Genrich (Parks and Recreation); Bob Ripley (Capitol Administration); Ed Zimmer and Michele Abendroth (Planning Dept.)

**STATED PURPOSE
OF THE MEETING:**

Regular Meeting of the Nebraska Capitol Environs Commission

Chair Jeff Searcy called the meeting to order at 8:01 a.m.

Approval of meeting notes of June 23, 2005

O'Donnell moved approval of the June 23, 2005, seconded by Laging. Laging, Nelson, O'Donnell and Searcy voting 'yes'; Hewitt, Kilgarin and Todd absent.

Application by Davis Design on behalf of Farmers Mutual Insurance Company for a Certificate of Appropriateness for demolition of 1235 K Street and 525 S. 13th Street in the Capitol Environs District.

Searcy stated that this is a continuation of discussion from last month's meeting and will require action today.

Laging asked about the long-term plan of this site following demolition. Metcalf stated that they plan to build a new office building parallel to 13th Street, but plans have not been designed as of yet. They will request that the alley be vacated and the overhead utilities be re-routed underground.

Ripley asked what the reasoning is for tearing down two buildings prior to the new building being constructed. Davis stated that the K Street building is not a viable building as there has been a lot of water damage and is in poor condition structurally. He added that getting the alley vacated is a critical step and will take several months. They feel that it is also an issue of aesthetics. Dobler added that if they are not able to vacate the alley, they would not proceed with constructing a new building.

Laging asked if there is a historical value to the 13th Street building. Zimmer stated that he does not know of a justification for a historical landmark, although it is a positive contributor to the streetscape.

Laging asked if they have looked in to having a mixed-use development for this block, as he feels residential is viable in that area. Boslau stated that the general concept is to have nice campus for their offices as well as to lease a portion of it. Laging noted that he would not encourage a campus plan, but rather an urban plan. He added that he feels the loss of the small building would be unfortunate.

Ripley stated that demolishing these buildings will not add to the urban context. The buildings that define the edge of the streetscape add considerable value to the environs and the downtown as a whole.

Searcy noted that it is important to recognize that this company has come to the Commission every step of the way and has been forthright with their plans. Ripley stated that conversely, the Commission has been supportive of that approach and has granted permission for demolition of two buildings already.

Ripley stated that it his opinion is that it is more an issue of timing; he has no argument with the proposed building. He feels that demolition should occur just prior to construction of the new building.

O'Donnell stated that he does not have a problem with the demolition. He feels that the green space would be more attractive than the current buildings.

Laging moved to approve demolition of the 1235 K Street building and offer support for the relocation of the utilities and alley vacation, but the building at 525 S. 13th Street should be preserved until such time as a plan for further development of the site is presented; it was seconded by Nelson. Motion failed. Laging voting 'yes'; Nelson, O'Donnell, Searcy and Todd voting 'no'; Hewitt and Kilgarin absent.

Searcy asked how this motion would affect their plans. Metcalf stated that it will cause additional cost to the company due to two separate demolitions.

Todd stated that she does not see the point of supporting demolition of one building but not the other. She feels that prior to demolition a plan should be brought to the Commission for consideration.

Todd moved to approve the Certificate of Appropriateness contingent upon a conceptual plan being submitted to the Commission prior to demolition; it was seconded by Nelson. Motion carried. Nelson, O'Donnell, Searcy and Todd voting 'yes'; Laging voting 'no'; Hewitt and Kilgarin absent.

Application by NEBCO for a Certificate of Appropriateness for demolition of 505 S. 12th Street in the Capitol Environs District.

Todd was absent during this agenda item discussion and action.

Mettenbrink stated that this carwas is a building whose time has past. It is now an empty building. They would like to demolish the building prior to any vandalism occurring. There is little to no redeeming value of this building to the downtown. In the interim, they would like to pave the area and use it for parking for the other two offices they have downtown. They intend to fully develop that block, and it would be of the quality of One Landmark Center.

Laging moved approval, seconded by O'Donnell. Motion carried. Laging, Nelson, O'Donnell and Searcy voting 'yes'; Hewitt, Kilgarin and Todd absent.

Landscape plan for McPhee School, South 15th Street between F and G Streets in the Capitol Environs District.

Scott Wieskamp of Lincoln Public Schools stated that a couple months ago he presented a landscape plan for McPhee School. It is being driven by the PTO for the north and east sides of the school. At that time, Ripley had expressed that the plan along the south Mall should conform to the landscape plan for the Mall. Wieskamp stated that if they were to implement this plan, it would strictly be in the LPS boundaries and would not conflict with the Mall plans. Kim Todd had also expressed that she would like to have one of her landscape classes at the University review and possibly re-design the plan and implement it next spring.

The Commission was supportive of the plan.

Sidewalk café recommendation for Highnooners, 1414 O Street.

Diane Kann stated that they would like to fence in a small area of the Highnooners restaurant and serve customers in an outdoor café.

Laging moved approval, seconded by Todd. Motion carried. Laging, Nelson, O'Donnell, Searcy and Todd voting 'yes'; Hewitt and Kilgarin absent.

Miscellaneous

Zimmer stated that landscape and dock work has begun at the new Noodles and Company building at 14th and Q Streets.

Todd stated that there is an automatic irrigation system being put in on the parking lot south of the capitol. She has a concern that it could kill the red oaks due to over-irrigation. She feels that the Commission should require that they meet the City screening requirements.

Nelson reported that the Near South Neighborhood Association is supportive of a portion of South 15th Street being re-named to Goodhue Boulevard.

Olson stated that they are here representing the Nebraska Department of Labor. They would like to put an addition on the back (northeast corner) of the former Alltel building on the southeast corner of 16th & K Streets. They requested to be on the agenda next month for the Commission's consideration of a Certificate of Appropriateness.

Johnson informed the Commission that they hope to have some preliminary design development concepts for Centennial Mall on a block by block basis within a couple weeks.

There being no further business, Searcy adjourned the meeting at 9:12 a.m.

INTEROFFICE MEMORANDUM

TO: Mayor Seng
& City Council Members

FROM: Clinton W. Thomas

DEPARTMENT: City Council Office

DEPARTMENT: Housing Rehab & Real Estate Division

ATTENTION:

DATE: April 18, 2006

COPIES TO: Teresa J. Meler
Marvin Krout
Dana Roper
Byron Blum

SUBJECT: Street & Alley Vacation No. 05013
East/West Alley, 12th & 13th Streets,
between J & K Streets

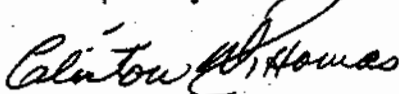
A request has been made to vacate the east/west alley from 12th to 13th Streets between J and K. The area was viewed and observed to be a surfaced alley running the length of the block. Overhead utility lines were observed on both sides of the alley and a visible manhole near the east end indicated the presence of a sewer system within the alley. Public Works has requested easements be retained over the entire area for these and other utilities.

Small parcels such as this rarely have any value, in and of themselves, but when assembled into adjoining land will take on the value of the abutting property. Recent sales of properties in the area have indicated a land value in the neighborhood of \$20.00 per square foot for unencumbered land. In this case, easements will be retained for utilities and the location of utility lines on either side of the alley will impede its use unless the utility lines are relocated, which can be done, but will have to be done at the owner's expense. Due to its size, shape, and existing utilities, it is estimated an abutting property owner would not be willing to pay the full value the alley will take on once it is assembled into the abutting property; however, it is estimated they would be willing to pay somewhere in the range of 25% to 35% of that value. While the owner will realize the benefit of the additional area for density purposes, the fact there is a line of utility poles on either side of the alley will inhibit its use even for parking without going to the additional expense of moving one or both of the utility lines. As such, it is estimated that an abutting property owner would pay something at the lower end of the typical range such as 25% of the abutting land's value. As such, the estimated value of the alley to be vacated is \$5.00 per square foot. The calculations are as follows:

$$4,800 \text{ sq. ft.} \times \$5.00/\text{sq. ft.} = \$24,000$$

Therefore, it is recommended if the area be vacated it be sold to the abutting property owner for \$24,000.

Respectfully submitted,



Clinton W. Thomas
Certified General Appraiser #990023

dge