

FACTSHEET

TITLE: MISCELLANEOUS NO. 16001 -
Declaration of Blighted and Substandard
for the South University Place Redevelopment Area

BOARD/COMMITTEE: Planning Commission

APPLICANT: David Landis, Director of the
Urban Development Department

RECOMMENDATION: A finding that there is
a reasonable presence of substandard and
blighted conditions

STAFF RECOMMENDATION: A finding of
reasonable presence of substandard and blighted
conditions

OTHER DEPARTMENTS AFFECTED: Urban
Development

SPONSOR: Planning Department

OPPONENTS: None present at hearing.

REASON FOR LEGISLATION: Request for Resolution for Council action declaring the "South University Place Redevelopment Plan Area" as set forth in the South University Place Redevelopment Area Blight and Substandard Determination Study, as a blighted and substandard area as defined in the Nebraska Community Development Law. The study area includes an estimated 37 acres, which consists of vacant and occupied commercial use, park/open space, single-family residential, vacant land and public uses. The Redevelopment Area is generally bounded by Holdrege Street and Francis Street, 48th Street to 49th Street, and including Uni-Place Park to the north.

DISCUSSION / FINDINGS OF FACT:

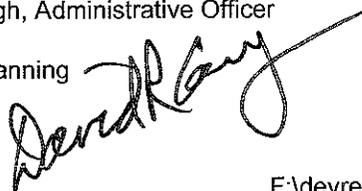
1. The Urban Development Department has requested a review of the South University Place Redevelopment Area Blight and Substandard Determination Study declaring the South University Place Redevelopment Area as blighted and substandard.
2. The staff recommendation finding a reasonable presence of substandard and blighted conditions is based upon the "Analysis" as set forth on pp.3-5, concluding that the consultant study determines that the South University Place Redevelopment qualifies as substandard and blighted within the definition of the Nebraska Community Development Law. The Substandard and Blight Determination Study is consistent with the redevelopment and revitalization activities identified in the 2040 Comprehensive Plan. The staff presentation is found on pp.6-8. There was no testimony in opposition.
3. On April 13, 2016, following considerable discussion about the inclusion of Uni-Place Park in the blight determination and substandard study area and the proposed use of Tax Increment Financing, Planning Commission voted 8-0 to find that there is a reasonable presence of substandard and blighted conditions (Scheer abstained). (See Minutes, p.10).

FACTSHEET PREPARED BY: Geri Rorabaugh, Administrative Officer

DATE: April 25, 2016

REVIEWED BY: David R. Cary, Director of Planning

DATE: April 25, 2016



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LINCOLN CITY/LANCASTER COUNTY PLANNING STAFF REPORT

for April 13, 2016 PLANNING COMMISSION MEETING

PROJECT: Miscellaneous #16001
South University Place Redevelopment Area Blight and Substandard Determination Study

PROPOSAL: *The South University Place Redevelopment Area Blight and Substandard Determination Study*

CONCLUSION: The South University Place Redevelopment Area qualifies as substandard and blighted within the definition set forth in the Nebraska Community Development Law, Nebraska State Statutes § 18-2103, as determined by the *South University Place Redevelopment Area Blight and Substandard Determination Study*. The Substandard and Blight Determination Study is consistent with the redevelopment and revitalization activities identified in Lincoln-Lancaster County 2040 Comprehensive Plan.

RECOMMENDATION:

Finding that there is a reasonable presence of substandard and blighted conditions in the South University Place Redevelopment Area as per § 18-2103 (11) Nebraska Revised Statutes.

GENERAL INFORMATION:

LOCATION: An area generally located northeast of N. 48th and Holdrege Streets, bounded by N. 48th Street on the west and N. 49th on the east, but also including the entirety of University Place Park.

LAND AREA: 37 acres, more or less

PURPOSE: Nebraska Community Development Law, Nebraska State Statutes § 18-2109 requires the Planning Commission to review whether an area is substandard and blighted. A recommendation of the Planning Commission is required to be provided to the City Council prior to a redevelopment area being declared blighted and substandard.

LEGAL DESCRIPTION: Block 129, University Place Addition; Block 4, Lots 7-10, and Block 5, Mills Subdivision; Blocks 6 -10, Block 11 except north 71.5' of Lots 1 and 2, Blocks 21-22, and Block 35, Mills Addition to University Place, Lincoln, Lancaster County, Nebraska.

COMPREHENSIVE PLAN SPECIFICATIONS:

From the 2040 Lincoln/Lancaster County Comprehensive Plan:

Guiding Principles for Business and Economy

Promote and foster appropriate, balanced, and focused future economic growth that maintains the quality of life of the community.

Seek to efficiently utilize investments in existing and future public infrastructure to advance economic development opportunities. (p. 5.2)

Guiding Principles for Mixed Use Redevelopment

Target existing underdeveloped or redeveloping commercial and industrial areas in order to remove blighted conditions and more efficiently utilize existing infrastructure. (p. 6.2)

ANALYSIS:

1. This is a request to determine whether the South University Place Redevelopment Area should or should not be declared substandard and blighted per § 18-2103 (11) Nebraska Revised Statutes. After an area is declared substandard and blighted, the City may proceed with the preparation and approval of a Redevelopment Plan. Redevelopment activities may include utilizing Tax Increment Financing (TIF) from private development to pay for public infrastructure and improvements.
2. The Urban Development Department hired a consultant who conducted the study to determine whether or not there was a presence of substandard or blighting conditions in the study area per § 18-2103 (11) Nebraska Revised Statutes.
3. The area comprises 37 acres. According to the land use categories identified in the Blight Study, approximately 5.1% of the land is in single family residential use, 57.7% is park/open space, 10.3% is commercial, 23.3% is developed as street right-of-way, and 4.0% is vacant.
4. All of the land within the study area is inside the City of Lincoln corporate limits.
5. Current zoning in the area is B-1 Local Business, O-2 Suburban Office, R-2 Residential, H-2 Highway Business, and P Public.
6. The Urban Development Department requests the determination study be reviewed by the Planning Commission for conformance with the Comprehensive Plan.
7. A **substandard** area is defined in the Nebraska Revised Statutes as containing a predominance of buildings or improvements with at least one of four conditions present:
 1. Dilapidation/deterioration
 2. Age or obsolescence
 3. Inadequate provision for ventilation, light, air, sanitation or open spaces
 4. a) High density of population and overcrowding; or

- b) The existence of conditions which endanger life or property by fire and other causes; or
- c) Any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, and is detrimental to the public health, safety, morals or welfare.

8. According to the Blight Study, the area qualifies as **substandard** because all of the four factors were found to have a strong presence in the study area.
- A) Dilapidation, deterioration, age or obsolescence of structures is evident in that more than 74% of structures are in deteriorated or deteriorating condition (Blight Study Page 5).
 - B) Based on field evaluation 81% of structures are over 40 years of age (Page 5).
 - C) Conditions which result in inadequate provision for sanitation are evidenced by water and sewer mains which at least 45 years of age with some segments at least 70 years of age (Page 6).
 - D) Conditions which endanger life or property by fire and other causes are evidenced by the presence of flammable materials (Page 6).
9. A **blighted** area is defined in the Nebraska Revised Statutes as having the presence of one or more of the twelve following conditions:
1. A substantial number of deteriorated or deteriorating structures;
 2. Existence of defective or inadequate street layout;
 3. Faulty lot layout in relation to size, adequacy, accessibility or usefulness;
 4. Insanitary or unsafe conditions;
 5. Deterioration of site or other improvements;
 6. Diversity of ownership;
 7. Tax or special assessment delinquency exceeding the fair value of the land;
 8. Defective or unusual conditions of title;
 9. Improper subdivision or obsolete platting;
 10. The existence of conditions which endanger life or property by fire or other causes;
 11. Any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations or constitutes an economic or social liability;
 12. Is detrimental to the public health, safety, morals, or welfare in its present condition and use; and in which there is at least one of the following conditions:
 - a) Unemployment in the designated blighted area is at least one hundred twenty percent of the state or national average;
 - b) The average age of the residential or commercial units in the area is at least 40 years;
 - c) More than half of the plotted and subdivided property in the area is unimproved land that has been within the City for 40 years and has remained unimproved during that time;
 - d) The per capita income of the designated blighted area is lower than the average per capita income of the city or City in which the area is designated; or
 - e) The area has had either stable or decreasing population based on the last two decennial censuses.

11. The study found the following seven **blighting** factors to be present to a strong extent in the study area:
 - A) A substantial number of deteriorated or deteriorating structures (Page 8).
 - B) Faulty lot layout in relation to size, adequacy, accessibility or usefulness (Page 8).
 - C) Deterioration of site improvements (Page 8).
 - D) Improper subdivision or obsolete platting (Page 8).
 - E) Conditions which endanger life or property by fire and other causes (Page 8).
 - F) Other environmental and blighting factors, including economically and socially undesirable land uses with functional and economic obsolescence (Page 8).
 - G) The average age of the residential and commercial units in the area is estimated at 91 and 65 years, respectively (Page 9).

12. The study finds there is at least a reasonable distribution of all four factors that constitute an area as substandard within the study area, and out of 12 possible factors that constitute an area blighted, seven are strongly present in the area. Therefore it is the conclusion of the study that sufficient conditions and factors meet the criteria of substandard and blight as evidenced in the Blight Study. These factors present a serious barrier to the planned and coordinated development of the area, have created an environment that negatively impacts private sector investment in the area, and serve as a detriment to the overall healthy economic growth and physical development of the community.

13. The Blight Study is on file with the Urban Development Department and the Planning Department.

Prepared by: Andrew Thierolf, Planner

DATE: April 1, 2016

APPLICANT: Urban Development Department
555 S. 10th Street, Ste. 205
Lincoln, NE 68508

CONTACT: Wynn Hjermstad
Urban Development Department
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Lincoln, NE 68508
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MISCELLANEOUS NO. 16001

MISCELLANEOUS NO. 16001
FOR A FINDING OF SUBSTANDARD AND BLIGHTED CONDITIONS
ON PROPERTY GENERALLY BOUNDED BY
HOLDREGE AND FRANCIS STREETS, AND 48TH TO 49TH STREETS.
PUBLIC HEARING BEFORE PLANNING COMMISSION:

April 13, 2016

Members present: Beecham, Cornelius, Corr, Harris, Hove, Lust, Sunderman and Weber.

Commissioner Scheer declared a Conflict of Interest.

Staff recommendation: Finding of Substandard and Blighted Conditions

There were no ex parte communications disclosed.

Staff presentation: David Landis, Director of Urban Development, came forward to state that this area was brought to our attention by a developer who is interested in the area for housing and mixed uses. The declaration of blight is the outcome of a study conducted by Hanna:Keelan Associates after a thorough examination of the parcels and properties in the approximate 30-acre area. A well-known building in the area is that of the former Tastee Inn, who were in business for 65 years. That building has been unoccupied for more than two years. If the market had better use for it, it would likely have been purchased and revitalized by now. The former Q.P. structure is also unused. Other buildings in the area are dilapidated and this condition is not the exception in the area, but a common occurrence where over 70 of the structures were deemed dilapidated or deteriorated. The average age of homes in the area is 91 years, while the average age of commercial structures is 65 years. Standards have risen over the years, so these buildings would not be rebuilt as they are; they have been grandfathered in. The water mains and sewers are also 60 years old. These conditions of blight and substandard allow the use of the tool of Tax Increment Financing (TIF) and will help to jumpstart the redevelopment currently being pursued with a developer out of Minneapolis, Minnesota. They brought their ideas to the Urban Design Committee, who were unanimously in favor of the building design, materials, and the developer's ability to harmonize with the surroundings. This finding is the initial step.

Lust asked why the Parks Department public area is included in the blight and substandard area. Landis said that the City negotiates how TIF funds will be used; funds are not simply handed over to a developer to use as they see fit. Including the area allows the opportunity to negotiate and suggest that, for example, the park is an amenity to a housing project, so a portion of the funds might be used to develop or improve that public resource. An example of this type of negotiation for the public good is a student housing project near downtown where some funds were used to help develop the N Street Bikeway. The use of funds is good for both the developer and the public. That is a strategy that could be used in this case with the park. For use of resources, the area must be within the boundary of the area.

Lust asked if the park is part of the finding. She wondered if the park contains substandard property. Landis said it is not necessary to find every parcel in the area blighted, but there must be a rationale as to why they are related in a mixed-use area. In this case, there is rationale for having a park next to a family-oriented residential use.

Harris asked if the park or public portion has to be included in the blighted area to make use of the funds. Landis said yes, we are bound by State law to spend the TIF dollars inside the project area. First, the area must be drawn. Then, individual boundaries are identified for projects within that area. On occasion, the boundaries have been altered by City Council action, but the reason for that is because the use of TIF is limited, first within the area, and then in the project area described. In downtown areas, for example, it is not uncommon for areas to extend beyond the immediate project area since there is often landscaping or other public facilities that might make use of the funds in the public right-of-way.

Harris asked if a specific area is declared blighted, but then a project area extended a little bit outside of that area and included a public park, can the area be amended at that point. Landis said a project area can be amended, but not the entire area, which in this case is created by the boundaries identified in the Blight and Substandard Determination Study. The study identifies the area, and then inside that, there is a project. That project area can be adjusted. This area is south of University Place which has a blighted area itself. That boundary does not include this area. It is not impossible to have two blighted areas right next to each other. The studies are paid for by the developer for the area they plan to ask the City for help with.

Beecham noted that every few years when looking at the budget, one thing that people argue about cutting is funding for parks and schools. She asked if including the park in this determination in anyway harms it. She does not want the park or pool to close. They are so important to this area. Landis said that TIF money cannot be spent on maintenance of the area, including the park. As an example of what can be done, he referred to Havelock Park, where outdated playground equipment was replaced with the newest generation of equipment. That is a one-time improvement and expense. The money could also be used to create an entirely new public amenity, like a park, that is not necessarily part of the development, but is within the boundary and built through an understanding with the developer, who also sees the park as an amenity.

Beecham asked Landis to address the issues with traffic and block lengths that do not line up. She wondered if there is a plan to change that. Landis said he does not have the answer, though the idea the developer shared in early stages includes a long building. He shared that the developer also met with the neighbors very early in the process for input. They had no difficulty with the dilapidated buildings being torn down and more pedestrian-friendly environments being created. Landis said he has heard nothing to indicate that this would take a bad situation and make it worse; the uniform message is that this is a good thing.

Cornelius noted for clarity that it is possible for a well-maintained old building to fall into a substandard condition, not because it is dilapidated, but simply due to the evolution of building standards. Landis agreed that is true. Dilapidated and deteriorated is one factor, but it is not the same as substandard. For example, a building may not meet current fire or safety codes; the building can still be honored, but would not be built in the same way again due to risk.

Lust noted that there is a study being done on Dead Man's Run flow capacity as a drainage creek area. She asked if that is something that, if problems are found, TIF funds could be used for. Landis replied that if the project area included land that implicated those issues, TIF could be spent for public purposes. It can be used for sidewalks, sewers, burying electrical lines, energy efficiency above codes, for higher-end building materials that the public can view and enjoy, as opposed to something internal meant only for a resident to enjoy inside the building. The expenditures must be for public purpose. That would include the management of floodplain issues. He does not know of such a case here.

Corr asked how old the pool in the park is. Landis said he does not know. Corr said she assumes it is in okay condition. She wondered if it needs work, if TIF funds could be used to replace a filter system or something similar. Landis said it depends on if the area is within the project area. It is inside the larger Blighted and Substandard area, but now is the time we come up with the project area with the developer. If we put that space in, it would be a public expenditure, and the legal possibility is there. Understand that this is a voluntary agreement between two parties. The City cannot impose that on the developer, but we would like to help them and have them help us.

Corr said there is a project in mind for some of these blocks. She asked if those sewer and water mains will be replaced. Landis said we do not yet have a set of sources and uses. The right to have that conversation depends on the action of this body today. Developers want to move quickly. Most developers would say they can find areas close to their building where the funds can be spent. They would not come to us to suggest that the City use most of the funds. That would not meet the purpose of the funds, which is to help a project to cross the finish line that would otherwise be too difficult to complete. It does not mean they might not do something on a smaller scale without the help. The City, at the margin, finds use for some of those funds. Good landscapes and pedestrian areas are the kinds of things we push for.

Corr said that in the report there is a Recognizable Environmental Condition. She wondered if that was a gas station. Landis said it was previously a gas station so it can be easily predicted that there will be problems. The developer is aware of it and is taking it into account—it will add to the cost. Corr asked if they know they will have to remediate the problems. Landis said they do. If they were building in a pristine building environment, these challenges would not exist and it would be cheaper. In this case, Tastee Inn must be purchased and torn down, the infrastructure is 65 years old, and there has to be remediation of a gas station. If left to its own devices, the market would choose to sprawl to the edges of the City. Infill has its own functions and difficulties not present otherwise.

Corr went on to say that another issue mentioned is inadequate street layout and lack of pedestrian and vehicular safety devices. She asked what is meant by that. Landis said he guesses it refers to stop signs and traffic lights.

Harris asked if blight determination can be removed from the park even if that area is included within the blight area now, but then the park is left out of the project area and that blight designation causes a problem down the road. Landis said State law is silent on that, but he believes the City Law Department would reason that if the City has the right to grant an area as blighted and substandard, they also have the ability to undo that decision. They have to be able to support it with evidence. Not all cities do the thorough study that we do. He said he is not sure that it would say that the land is not blighted and substandard anymore, but that the tools granted by that designation are not going to be used, and therefore, the designation is revoked.

Proponents:

1. Tom Huston, Cline Williams Law Firm, 233 S. 13th Street, came forward on behalf of 48th Street Development, LLC, which is a new company comprised of Shafer Richardson of Minneapolis and Greenleaf Properties of Lincoln. Over the past eight years, Lincoln has seen immense urban renewal and many infill projects in the core area of downtown that have been successful. It is nice to see a project coming forward in another area. North 48th Street is an important corridor with University Place. The ability to use the same urban renewal tools in other parts of the city that need attention is vital; this blight study is the first step in that process.

There is an existing blight study in place for University Place. One option would have been to extend that area. This area stood on its own and the other study was over 20 years old, so we felt it was best to start from scratch with a new analysis. The study by Hanaa:Keelan finds that 4 of 4 requirements for finding of Substandard conditions are met, and 7 of 12 for blight are met. The next steps in our process, will be a submittal to Planning for a change of zone, an alley vacation, and a planned unit development. The existing zoning is a combination of three different zones so we would like to consolidate to allow for a mixed-use, urban development project. We hope to be in front of you again by mid-May.

Huston went on to say that an early step taken by his client in mid-March was a neighborhood meeting. It was particularly to address the neighbors on the east side of 49th Street, since they are directly affected. One of the good things about this project is that access and circulation will be improved through compliance with the Access Management Policy and removal of unneeded driveways. In addition to those neighbors, we also met with University Place Community Organization and the East Campus Homeowner's Association. All were very supportive of the project.

Corr asked if the building spans more than one block. Huston said this site is unusually configured. It has a length that is probably beyond a standard block. There was a T-shaped alley at one time. The west portion was vacated so now there is an L-shaped alley. Ultimately, the overhead lines will be buried. The sewer will be left in place. We will seek to vacate the alley to configure the necessary parking. Huston said he asked the planning consultant to include the environmental remediation as further evidence of blight. Corr asked if the alley referred to runs north/south. Huston said there is one that runs east/west, also. Corr asked if Martin or Ayelsworth Streets will come through to 48th Street. Huston said Ayelsworth does. Corr asked if that will remain. Huston said yes.

2. Don Linscott, Green Leaf Properties, 300 N. 44th Street, stated they have been working on this project with Schafer Richardson for the last six months and have had contact with them for many years. They bring the development expertise necessary to really upgrade and transform this area to include both retail and market apartments. He is here to answer questions. Many plans will be coming forward in the very near future.

Opposition:

There was no testimony in opposition.

MISCELLANEOUS NO. 16001

ACTION BY PLANNING COMMISSION:

April 13, 2016

Lust moved for a Finding of Substandard and Blighted Conditions; seconded by Harris.

Corr stated she has no problem declaring these block blighted. She was questioning including the park area, but understands Mr. Landis' reasoning for including it, so will support it.

Harris echoed that. The discussion was mainly caught up in the park portion because, overall, this a great and much needed infill project. Anytime you talk about declaring blight on a public portion, it is important to ask if it is a step worth taking due to the image it could potentially project when that information stands alone somewhere. But it is right to be pragmatic about it, and if it can lead to some improvements, then all the better.

Hove said he will also vote in support. He has never been more confident of an area being blighted.

Motion for a Finding of Substandard and Blighted Conditions carried 8-0: Beecham, Cornelius, Corr, Harris, Lust, Sunderman, Weber, and Hove voting 'yes'; Scheer abstaining. This is a recommendation to the City Council.

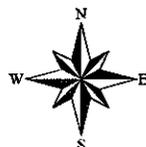


2013 aerial

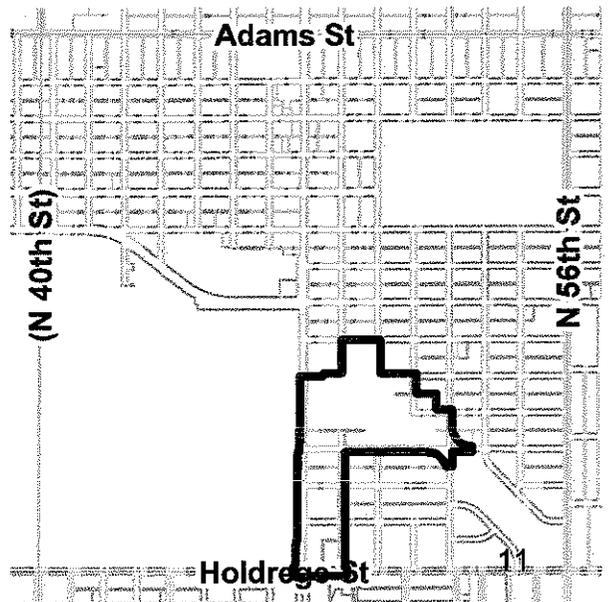
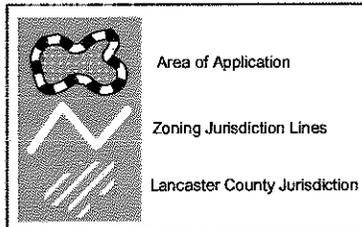
Miscellaneous #: MISC16001
South University Place
N 48th St & Holdrege St

Zoning:

- R-1 to R-8 Residential District
- AG Agricultural District
- AGR Agricultural Residential 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-5 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.17 T10N R07E





URBAN DEVELOPMENT DEPARTMENT

555 South 10th Street Suite 205 Lincoln, Nebraska 68508
402-441-7606 fax: 402-441-8711 lincoln.ne.gov

March 16, 2016

David Cary, Director
City of Lincoln-Lancaster County Planning Department
555 S. 10th
Lincoln, NE 68508

Dear David:

Enclosed is the *South University Place Redevelopment Area Blight and Substandard Determination Study*. The Study was completed in March 2016 by Hanna:Keelan Associates, P.C.

Please forward the Study to the Planning Commission for their earliest consideration and review for conformity with the Comprehensive Plan. My understanding is that it should be on the April 13, 2016 Planning Commission agenda.

If you have questions or need additional information, please contact me at 441-8211 or by e-mail at whjermstad@lincoln.ne.gov. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Wynn S. Hjermstad".

Wynn S. Hjermstad, AICP
Community Development Manager

cc: Dave Landis, Director, Urban Development

enc.



BLIGHT & SUBSTANDARD DETERMINATION STUDY

EXECUTIVE SUMMARY

Purpose of Study

The purpose of this **Blight and Substandard Determination Study** is to apply the criteria set forth in the **Nebraska Community Development Law, Section 18-2103**, to the designated **South University Place Redevelopment Area** in Lincoln, Nebraska. The results of this Study will assist the City in declaring the **South University Place Redevelopment Area** as both **blighted and substandard**.

Location

The referenced **South University Place Redevelopment Area**, in the City of Lincoln, Nebraska, includes the following **Property ID and Legal Description**:

University Place Park:

1. **University Place Addition:** All of Block 129 including parcel numbers 17-17-408-00-1000 and 17-17-408-00-2000.
2. **Mills Subdivision:** Block 4, Lots 7-10 and all of Block 5. **Mills Addition to University Place:** All of Blocks 6 through 10 and all of Block 11 except for the north 71.5' of Lots 1 and 2. All included in parcel number 17-17-435-008-000.

Individual Blocks:

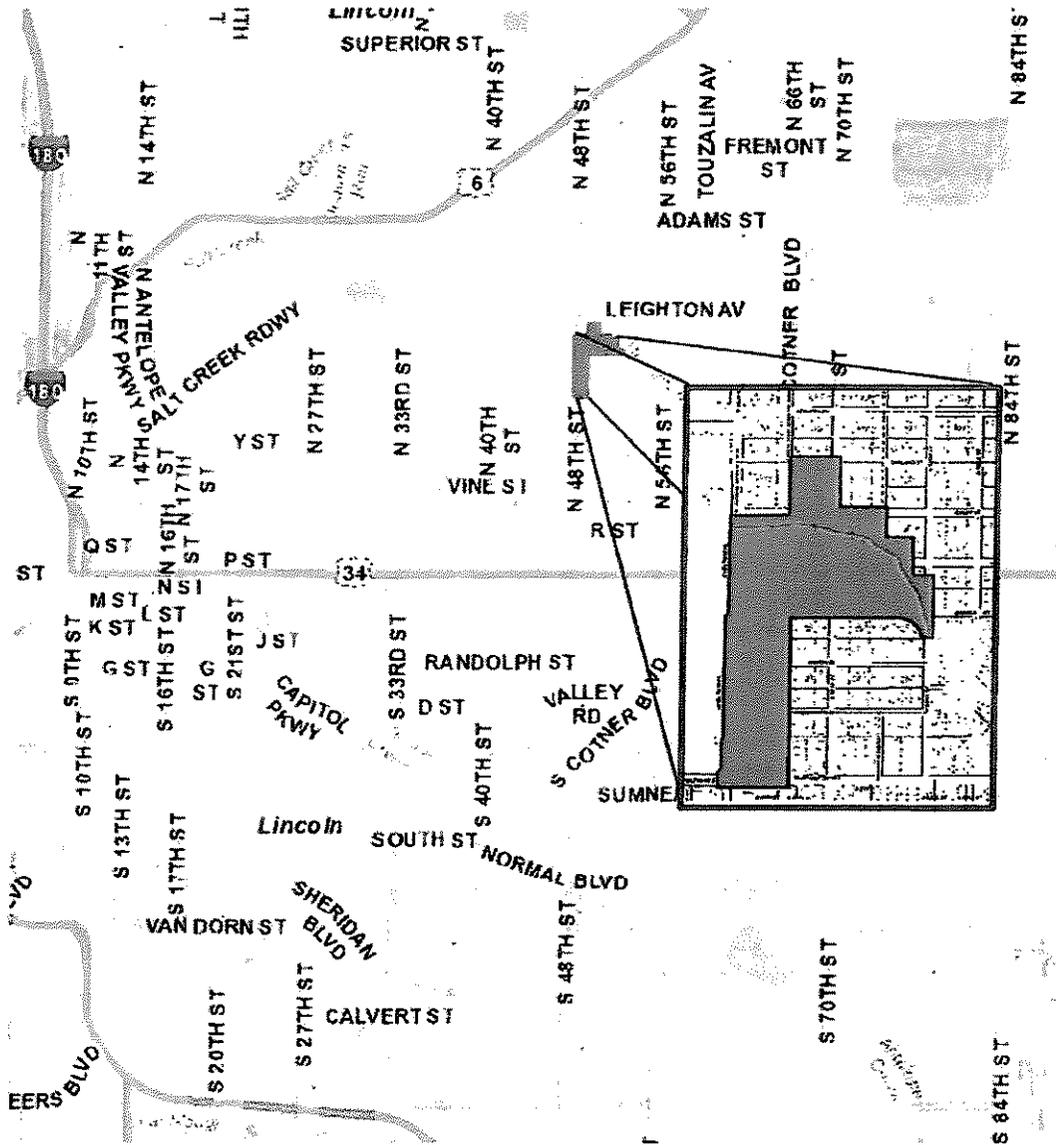
3. **Mills Addition to University Place:** All of Block 21, including parcel numbers 17-17-428-00-7000; 17-17-428-2000; 17-17-428-00-3000; 17-17-428-00-4000 and 17-17-428-00-5000.
4. **Mills Addition to University Place:** All of Block 22, including parcel number 17-17-441-011-000.
5. **Mills Addition to University Place:** All of Block 35, including Lots 1 through 11, parcel numbers 17-17-441-00-1000; 17-17-441-00-2000; 17-17-441-00-3000; 17-17-441-00-4000; 17-17-441-00-5000; 17-17-441-00-7000 and 17-17-441-00-8000. **Speechley Place:** Block 35, including Lots A through F, parcel numbers 17-17-441-00-4000; 17-17-441-01-3000; 17-17-441-01-2000; 17-17-441-01-1000; 17-17-441-01-0000; and 17-17-441-00-9000

Illustration 1, Context Map, identifies the location of **South University Place Redevelopment Area** in relation to the City of Lincoln. The area equals an estimated 37 acres. The primary public streets within the **Redevelopment Area** are 48th and Holdrege Streets. Generally, the **Area** is comprised of vacant commercial buildings, several older residential structures, active business use buildings and the City's **University Place Park** environs, which includes an open drainage creek-Deadman's Run.

Lincoln, Nebraska
Blight & Substandard Determination Study
South University Place Redevelopment Area

CONTEXT MAP

SOUTH UNIVERSITY PLACE REDEVELOPMENT AREA
LINCOLN, NEBRASKA



LEGEND

 REDEVELOPMENT AREA

HANNA:KEELAN ASSOCIATES, P.C.
COMMUNITY PLANNING & RESEARCH

* Lincoln, Nebraska * 402.464.5383 *

ILLUSTRATION 1

Lincoln, Nebraska
Blight & Substandard Determination Study
South University Place Redevelopment Area

This **blight and substandard evaluation** included a detailed exterior structural survey of 31 structures, field inventory, conversations with City of Lincoln staff and a review of available reports and documents containing information which could substantiate the existence of **blight and substandard conditions**.

SUBSTANDARD AREA

As set forth in the Nebraska legislation, a **substandard area** shall mean one in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which by reason of the presence of the following factors:

1. Dilapidated/deterioration;
2. Age or obsolescence;
3. Inadequate provision for ventilation, light, air, sanitation or open spaces;
4. (a) High density of population and overcrowding; or
(b) The existence of conditions which endanger life or property by fire and other causes; or
(c) Any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, and is detrimental to the public health, safety, morals or welfare.

BLIGHTED AREA

As set forth in the Section 18-2103 (11) Nebraska Revised Statutes (Cumulative Supplement 1994), a **blighted area** shall mean "an area, which by reason of the presence of the following factors:

1. A substantial number of deteriorated or deteriorating structures;
2. The advanced age and associated condition of structures;
3. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
4. Insanitary or unsafe conditions due to the age, small diameter of water mains;
5. Deterioration of site or other improvements due to nearly 40 percent of the parcels having overall site conditions rated as "fair";
6. Diversity of ownership;
7. Tax or special assessment delinquency exceeding the fair value of the land;
8. Defective or unusual conditions of title;
9. Improper subdivision or obsolete platting;

10. The existence of conditions which endanger life or property by fire or other causes;
11. Any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations or constitutes an economic or social liability; and
12. Is detrimental to the public health, safety, morals or welfare in its present condition and use; and in which there is at least one or more of the following conditions exists;
 1. Unemployment in the study or designated blighted area is at least one hundred twenty percent of the state or national average;
 2. The average age of the residential or commercial units in the area is at least 40 years;
 3. More than half of the plotted and subdivided property in an area is unimproved land that has been within the City for 40 years and has remained unimproved during that time;
 4. The per capita income of the study or designated blighted area is lower than the average per capita income of the City or Village in which the area is designated; or
 5. The area has had either stable or decreasing population based on the last two decennial censuses."

While it may be concluded the mere presence of a majority of the stated Factors may be sufficient to make a finding of **blight and substandard**, this evaluation was made on the basis that existing **Blight and Substandard Factors** must be present to an extent which would lead reasonable persons to conclude public intervention is appropriate or necessary to assist with any development or redevelopment activities. Secondly, the distribution of **Blight and Substandard Factors** throughout the **South University Place Redevelopment Area** must be reasonably distributed so basically good areas are not arbitrarily found to be blighted simply because of proximity to areas which are **blighted and substandard**.

On the basis of this approach, South University Place Redevelopment Area is found to be eligible as "blighted" and "substandard", within the definition set forth in the legislation. Specifically:

SUBSTANDARD FACTORS

Of the Four Substandard Factors, set forth in the Nebraska Community Development Law, all four Factors represent a "strong presence" within the Area. The Substandard Factors are generally distributed throughout the Redevelopment Area.

**TABLE 1
SUBSTANDARD FACTORS
SOUTH UNIVERSITY PLACE REDEVELOPMENT AREA
LINCOLN, NEBRASKA**

- | | | |
|----|---|---|
| 1. | Dilapidated/deterioration. | ■ |
| 2. | Age or obsolescence. | ■ |
| 3. | Inadequate provision for ventilation, light, air, sanitation or open spaces. | ■ |
| 4. | Existence of conditions which endanger life or property by fire and other causes. | ■ |

Strong Presence of Factor ■
 Reasonable Presence of Factor ■
 No Presence of Factor ○
 Source: Hanna/Keelan Associates, P.C., 2016.

Strong Presence of Factor -

The results of the field survey identified 23 structures, or 74 percent of the 31 total structures in the South University Place Redevelopment Area as being in a *Deteriorating or Dilapidated* condition. This Factor is a strong presence throughout the Area.

Based on the results of a field survey analysis, approximately 25, or 81 percent of the 31 total buildings are *40+ years of age* (built prior to 1976). The Factor of *Age or Obsolescence* is a strong presence throughout the Area.

The conditions which result in *Inadequate Provision for Ventilation, Light, Air, Sanitation or Open Space* are a strong presence throughout the South University Place Redevelopment Area. City of Lincoln Public Works Staff described municipal water and sewer mains that primarily serve the Area as being appropriately sized and in good condition, but segments of mains and service lines are 45+ years of age, with some segments being 70+ years of age. Public Works Staff also estimated that the majority of the privately owned service lines were constructed with outmoded materials and will need to be replaced to support redevelopment in the Area.

The field analysis determined that the Substandard Factor *Existence of Conditions Which Endanger Life or Property* by fire and other causes is a strong presence throughout the Area. The primary contributing elements include the existence of deteriorating and dilapidated buildings that are comprised of wood structural components and masonry buildings containing combustible elements and fixtures. Additionally, the oldest segments of water and sewer mains, as well as privately owned service lines within the Redevelopment Area were constructed of outmoded materials, which are 45+ years of age, with some segments being 70+ years of age. These utility lines will need to be replaced to sustain current and future redevelopment efforts.

The Area includes Deadman's Run, an open drainage creek area. A study of the water flow capacity of Deadman's Run is currently being completed by the U.S. Corp of Engineers, in partnership with the City and Lower Platte South Natural Resource District. There are three underground storm drainage systems in the Area that all drain to Deadman's Run; 48th Street (33 years of age), 49th Street (47 years of age) and 49th and Garland (59 years of age).

The prevailing substandard conditions, evident in buildings and the public infrastructure, as determined by the field survey, include:

1. Deteriorating and Dilapidated structures;
2. Advanced Age of structures;
3. "Fair" to "poor" overall site conditions;
4. Wooden buildings and masonry buildings containing combustible elements and fixtures, are potential fire hazards;
5. The oldest segments of water, sanitary sewer and storm water mains throughout the South University Place are 70+ years of age and constructed of outmoded materials.

BLIGHT FACTORS

Of the 12 Blight Factors set forth in the Nebraska Community Development Law, seven represent a strong presence, two are present to a reasonable extent and two represent little or no presence throughout the Redevelopment Area. The Factor, "defective or unusual condition of title," was not reviewed. All Blight Factors are reasonably distributed throughout the Area.

**TABLE 2
BLIGHT FACTORS
SOUTH UNIVERSITY PLACE REDEVELOPMENT AREA
LINCOLN, NEBRASKA**

1.	A substantial number of deteriorated or dilapidated structures.	■
2.	Existence of defective or inadequate street layout.	■
3.	Faulty lot layout in relation to size, adequacy, accessibility or usefulness.	■
4.	Insanitary or unsafe conditions.	■
5.	Deterioration of site or other improvements.	■
6.	Diversity of Ownership.	○
7.	Tax or special assessment delinquency exceeding the fair value of land.	○
8.	Defective or unusual condition of title.	NR
9.	Improper subdivision or obsolete platting.	■
10.	The existence of conditions which endanger life or property by fire or other causes.	■
11.	Other environmental and blighting factors.	■
12.	One of the other five conditions.	■

Strong Presence of Factor ■
Reasonable Presence of Factor ■
Little or No Presence of Factor ○
NR = Not Reviewed NR
Source: Hanna:Keelan Associates, P.C., 2016.

Strong Presence of Factor –

Deteriorated or Dilapidated Structures are present to a strong extent in South University Place Redevelopment Area. A total of 23 structures, or 74 percent of the 31 total structures were documented as deteriorating or dilapidated.

Faulty Lot Layout is a strong presence throughout the South University Place Redevelopment Area. Commercial uses were developed along the City Blocks located south of Francis Street that generally ignored the original platted lots.

Deterioration of Site or Other Improvements is a strong presence throughout South University Place Redevelopment Area. An estimated 29 parcels, or 76 percent of the total 38 parcels were observed to have “fair” to “poor” overall site conditions. Also, 16 parcels had sidewalks in “fair” condition and an additional parcel was in “poor” condition. This results in approximately 44.7 percent of the parcels having substandard sidewalks.

Improper Subdivision or Obsolete Platting is a strong presence throughout the Redevelopment Area. City Blocks in the southern portion of the Area contains many commercial buildings that were constructed with no regard for the platted lots that originally existed.

The ***Existence of Conditions Which Endanger Life or Property*** by fire or other causes is a strong presence throughout the Area. Conditions associated with this Factor include the existence of wood buildings and masonry buildings containing combustible elements and fixtures. Additionally, portions of the South University Place Redevelopment Area have water mains that were constructed of obsolete materials, are 45+ years of age, some 70+ years of age, and are undersized by current engineering standards.

The Area includes Deadman’s Run, an open drainage creek area. A study of the water flow capacity of Deadman’s Run is currently being completed by the U.S. Corp of Engineers, in partnership with the City and Lower Platte South Natural Resource District. There are three underground storm drainage systems in the Area that all drain to Deadman’s Run; 48th Street (33 years of age), 49th Street (47 years of age) and 49th and Garland, (59 years of age).

In regards to ***Other Environmental and Blighting Factors***, economically and socially undesirable land uses, with functional and economic obsolescence, are a strong presence throughout the Area. The Area contains buildings that are deteriorating with outmoded infrastructure. Several buildings, primarily commercial, are dilapidated and too small to support modern uses or needs of the Area. A Phase I Environmental Site Assessment was completed on properties that front on North 48th Street, between Aylesworth and Holdrege Streets, as well as a home located along Holdrege Street. It was determined that the former gas station, located at the northeast corner of 48th and Holdrege Streets, has a “recognized environmental condition”.

One of the Required Five Additional Blight Factors has a strong presence throughout South University Place Redevelopment Area. Based on the field analysis and records of the Lancaster County Assessor's Office, the estimated average age of the residential properties is 91 years and the average age of commercial buildings is 65 years of age, both of which exceed the required criteria of being at least 40 years of age.

Reasonable, Little or No Presence of Factor -

Existence of Defective or Inadequate Street Layout is a reasonable presence in the South University Place Redevelopment Area, due to the lack of, or presence of sidewalks in "fair" to "poor" condition, and a lack of effective pedestrian/vehicular safety devices.

Insanitary or Unsafe Conditions are a reasonable presence throughout the entire Area. Conditions contributing to this Factor include the presence of deteriorating and dilapidated buildings that are 40+ years of age and segments of water and sewer mains and privately owned service lines were constructed of outmoded materials that are estimated to be 45+ years of age, with some segments at 70+ years of age and in need of replacement.

Diversity of Ownership is of little or no presence throughout the Area. Research of public records from the Lancaster County Assessor's Office indicates that the Redevelopment Area has eight owners within the Redevelopment Area.

Tax or Special Assessment Delinquency Exceeding the Fair Value of Land is of little or no presence throughout the Area. Research of public records from the Lancaster County Assessor's Office confirmed that Real Estate Taxes, Real Estate Values and Tax Exempt properties do not negatively impact lands within the Area.

The Factor *Defective or Unusual Condition of Title* was not reviewed.

Conclusion

It is the conclusion of the Consultant that the number, degree and distribution of **Blight and Substandard Factors**, as documented in this **Executive Summary**, are beyond remedy and control solely by regulatory processes in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided in the **Nebraska Community Development Law**. It is also the opinion of the Consultant that the findings of this **Blight and Substandard Determination Study** warrant designating South University Place Redevelopment Area as "substandard" and "blighted."

The conclusions presented in this Study are those of the Consultant engaged to examine whether conditions of **blight and substandard** exist. The Lincoln City Council should review this Study and, if satisfied with the summary of findings contained herein, may adopt a resolution making a **finding of blight and substandard** and this Study a part of the public record.

Lincoln, Nebraska
Blight & Substandard Determination Study
South University Place Redevelopment Area