

AP. Campion Redevelopment Project

1. Project Description

The Campion Redevelopment Project (the “Project”) involves the redevelopment of a 61,675 square foot site comprised of five parcels located at 322 South 9th Street, 324 South 9th Street, 315 South 10th Street, 900 L Street, and 927 M Street. The project site is more particularly described as follows: Lots 1 through 15, Block 86, Lincoln Original, City of Lincoln, Lancaster County, Nebraska (the “Project Site”). The parcel generally described as 315 South 10th Street is the former site of a service station, but is currently vacant and underdeveloped. An office building and storage garage are located on the parcel identified as 927 M Street, the owner of which plans to relocate the business elsewhere in Lincoln. A single-story office building and parking lot occupy the parcel identified as 900 L Street. The existing tenants of said office building will relocate prior to commencement of construction of the Project. The now vacant Red 9 bar, and its adjacent beer garden, are situated on the parcel at 322 South 9th Street, and a vacant commercial building is located on the adjacent 324 South 9th Street. The Project Site is depicted on the project area map, right.

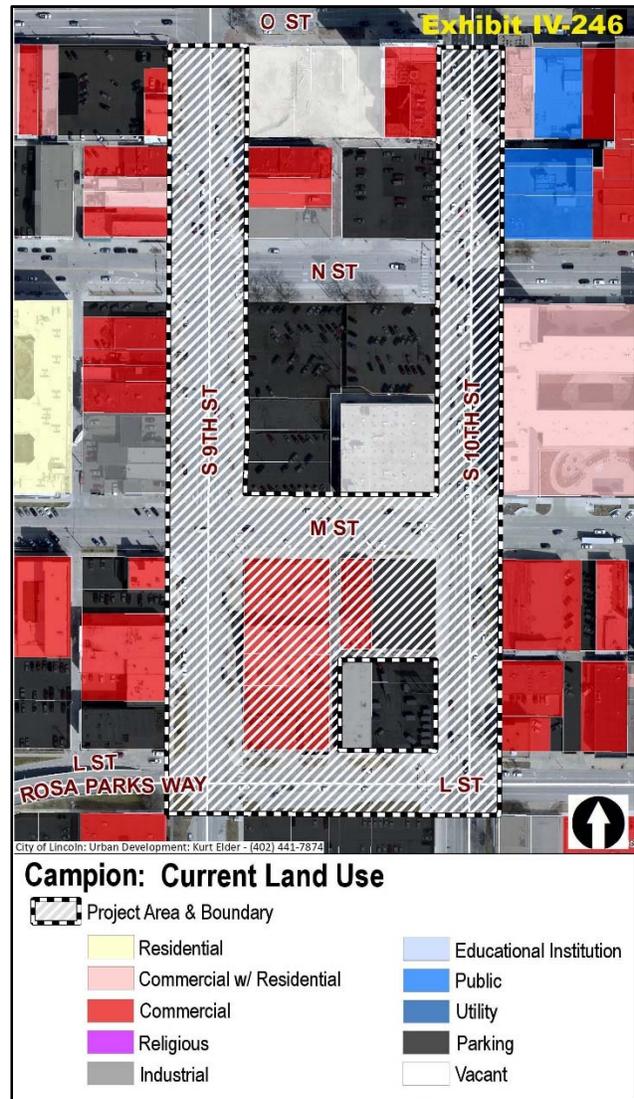
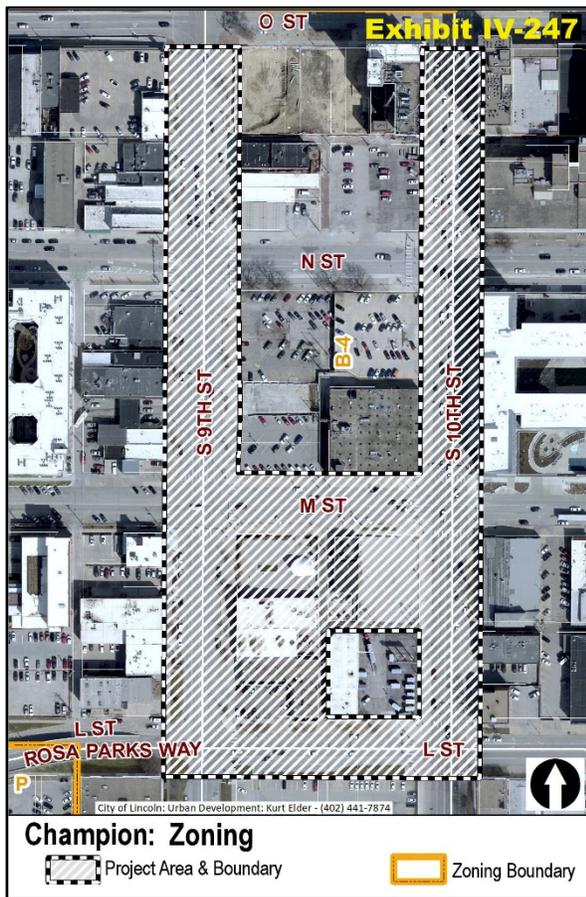


The Project involves the demolition of all structures on the Project Site, and the construction of a seven-story, 340,000 square foot student housing building, including covered parking and other amenities, on the Project Site. The completed structure will include approximately 120 four-bedroom residential units, eight of which will be constructed to accommodate tenants with disabilities. Additionally, the first and second floors of the completed structure will include around six three-bedroom townhomes and eight two-bedroom townhomes along 9th and M Streets, which will screen the two-story 89,000 square foot parking structure also located on the first and second floors. In total, the Project will add 134 dwelling units comprised of 514 beds to the downtown housing market in the City of Lincoln. Approximately 259 covered parking stalls will be available for tenant use. Other amenities that are anticipated to be available to tenants of the building include study rooms, computer facilities, a pool, hot tub, grill area, fitness center, coffee bar, dog park and pet washing station.

The Project is intended to enhance the aesthetics of the Lincoln Center Redevelopment Area and to encourage 24-hour activity and lively, vibrant streets in Downtown Lincoln. The Project will accomplish these goals by replacing the vacant and/or underutilized structures on the Project Site with a new seven-story housing facility designed for suite-style living for students and downtown residents. The development of additional housing units in Downtown Lincoln, including ground floor townhomes on 9th and M Streets, and the installation of a greenway within the public right-of-way of M Street, will ensure that 9th and M Streets are active and retain a street-level, pedestrian orientation, in accordance with the *Lincoln Center Redevelopment Plan*. The Project will cause the removal of blight and substandard conditions on the Project Site and in the Lincoln Center Redevelopment Area and better tie the University of Nebraska campus to Downtown Lincoln, in furtherance of the purposes set forth in the *Lincoln Center Redevelopment Plan*. The Project will also be the first development with M Street frontage since the adoption of the *2018 Downtown Master Plan* and will enhance the M Street Greenway as part of that catalyst project.

All five parcels comprising the Project Site are used for commercial purposes or are vacant. Surrounding land uses are predominantly commercial; however, there is light industrial to the west and comparable apartment uses in the vicinity. The southeast quadrant of the city block in which the Project Site is located is used for a commercial trailer rental business and for surface parking. See the current land use map, right.

The Project Site is located in the “B-4” - Lincoln Center Business zoning district. The B-4 Lincoln Center Business District provides for a large variety of uses and activities, including retail and office functions, housing, commercial services, institutions and transportation, and is designed to encourage the Lincoln Center Business District to remain the dominant multi-use center and key focal point of business, social, and cultural activity in the City of Lincoln. The land surrounding the Project Site is zoned B-4 Lincoln Center Business District as well. Existing zoning is shown below.

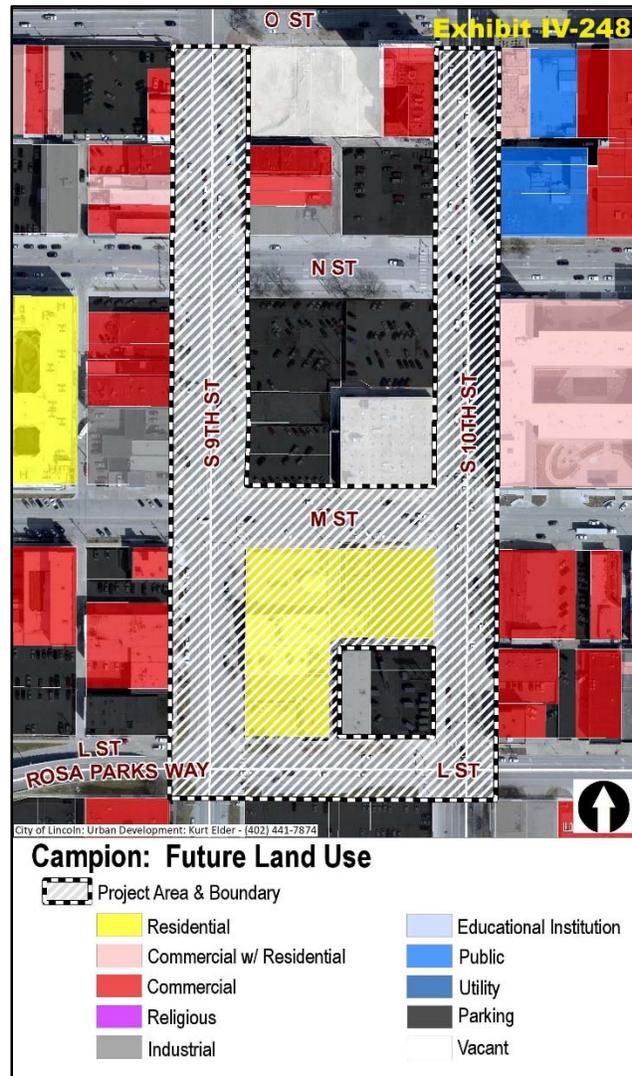


The Project is consistent with the *Lincoln Center Redevelopment Plan*, which encourages development of additional housing units, and in particular housing served by on-site parking, in Downtown Lincoln. Upon completion, the Project will add 134 dwelling units comprised of 514 beds and 259 parking stalls to Downtown Lincoln. Further, the Project is consistent with the *Lincoln Center Redevelopment Plan's* stated goal of creating rich pedestrian activity on the streets in Downtown Lincoln, as well as a “green network” incorporating M Street from 7th to 11th Streets, among other spaces. The Project is anticipated to include first and second floor townhomes along 9th and M Streets, and construction of a greenway along M Street, both of which will activate the street and create a street-level, pedestrian orientation consistent with the M Street plan.

The Project is also consistent with the *LPlan 2040*, the Lincoln-Lancaster County 2040 Comprehensive Plan. The Guiding Principles in Chapter 6 (Mixed Use Redevelopment) of *LPlan 2040* encourage targeting underdeveloped and redeveloping commercial areas to remove blighted conditions and more efficiently utilize existing infrastructure.

The Project is consistent with the *2018 Downtown Master Plan* as well, which encourages increasing Downtown residential density to drive improvements to retail, restaurants, and to create a more vibrant Downtown. Further, the *Downtown Master Plan* encourages redevelopment on vacant or underutilized parcels. Future land use is shown on the map to the right.

The Project represents a significant private investment in the Lincoln Center Redevelopment Area. Publicly funded redevelopment activities may include: site acquisition, demolition, site preparation and grading, streetscape and public area enhancements, public utility and infrastructure improvements, energy efficiency improvements, façade enhancements, and other public improvements in the Lincoln Center Redevelopment Area.



1. Statutory Elements

- Property Acquisition, Demolition, and Disposal:** The proposed redeveloper currently controls the Project Site. The Project will require demolition of the existing buildings on the Project Site. The businesses operating on the Project Site will be required to relocate as a result of the Project, but the cost of relocation has been factored into the acquisition price negotiated between the redeveloper and the current owners of the Project Site.
- Population Density:** The Project consists of the construction of approximately 134 two-, three-, and four-bedroom student housing units on the Project Site. The increase in population density in the Lincoln Center Redevelopment Area that is expected to occur upon completion of the Project is consistent with the objectives set forth in the *Lincoln Center Redevelopment Plan*.
- Land Coverage:** The Project will increase land coverage on the Project Site. The Project consists of demolition of the four existing buildings located on the five parcels comprising the Project Site, and construction of a new seven-story student housing building in its place. The Project will comply with the applicable land-coverage ratios and zoning requirements of the City of Lincoln.
- Traffic Flow, Street Layouts, and Street Grades:** The Project involves development of a seven-story student housing building on five parcels of real estate, several of which are vacant or underutilized. The Project is expected to increase traffic flow generated by tenants of the Project travelling to and from the Project Site. The Project will require vacating the north half of the north-south alley extending between L and M Streets.

- **Parking:** The Project includes construction of approximately 259 on-site parking stalls for the use of the tenants of the Project. The Project will meet or exceed the parking requirements of the B-4 Lincoln Center Business District.
- **Zoning, Building Code, and Ordinances:** The Project Site is currently zoned B-4 Lincoln Center Business District and the Project is a permitted use in such a district. No subdivision or re-zoning of the Project Site will be required as part of the Project. All applicable building code requirements and ordinances will be satisfied.

2. Proposed Cost and Financing

The estimated total cost to implement the Project is approximately \$43,000,000, which includes approximately \$5,500,000 in public financing. The project cost will be finalized as construction costs are determined. The source of the public funds for these improvements will be the tax increment generated from the private developments on the Project Site. However, funding sources and uses will be negotiated and identified in the redevelopment agreement, subject to approval by the Mayor and City Council.

Tax Increment Financing Analysis

As required by the Nebraska Community Development Law (Neb. Rev. Stat. § 18-2113), the Cost-Benefit Analysis is attached to this Amendment (Campion Redevelopment Project) as the Cost-Benefit Schedule.