

PHASE II - 12TH STREET REVITALIZATION/THEATRE SUB PROJECT

1. Revitalization Project Description

The Phase II - 12th Street Revitalization/Theatre Sub Project, as part of the downtown revitalization process, involves a portion of one block within the downtown retail mixed use revitalization/redevelopment area. The sub project involves private redevelopment/revitalization of a portion of Block 41 as indicated in Exhibit IV-37 and requires a combination of public and private resources detailed in this section.

12th Street Theatre - construction of a entertainment development of approximately 14,200 square feet - 3 or 4 screen theatre facility and related commercial uses, with a total of approximately 950 seats, a lobby with contiguous snack bar, restrooms, manager's office, mechanical and storage and an elevated projection room serving all screens.

Public Improvements/Amenities - Installation, construction or reconstruction of streets, curbs, utilities, sidewalks, i.e., landscaping improvements may be accomplished as or where necessary. Construction of building canopies within the public right-of-way.

2. Statutory Elements

Property Acquisition, Demolition and Disposal - Accomplishing the Phase II 12th Street Theatre Sub Project will require public action on a portion of Block 41 indicated on Exhibit IV-38; including public improvements and such property rights necessary for construction of canopies and related amenities; i.e. signage by the City of Lincoln.

(a) Acquisition (Exhibit IV-38)

The City of Lincoln will acquire the following portion of the indicated blocks:

Lots 1 and 2, Block 41, Original Plat

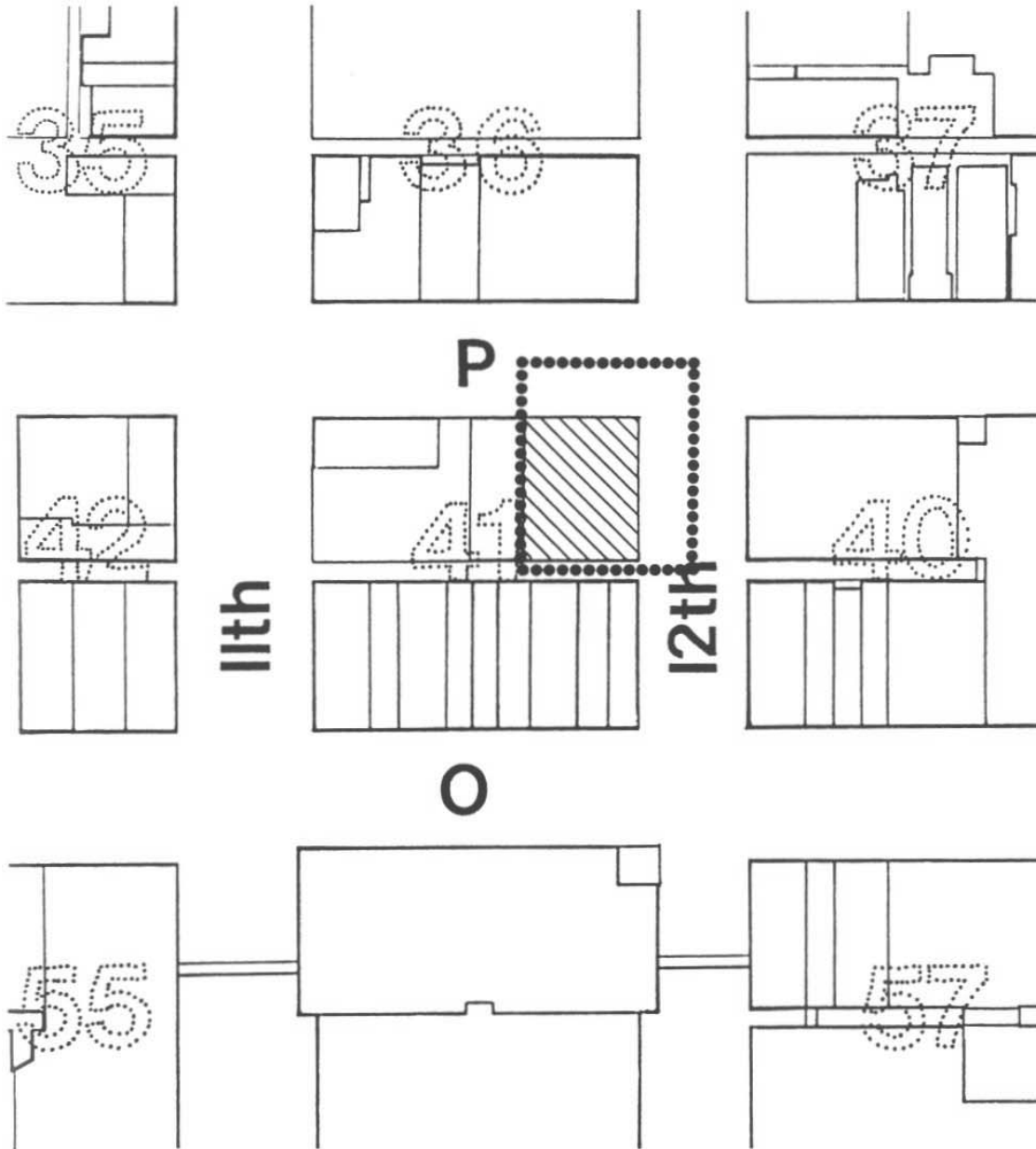
Interest in canopies overhanging the public right-of-way

The City may acquire the necessary fees, easements, property rights, covenants and/or leases by way of voluntary purchase or condemnation, if necessary (see Land Acquisition Proposals, Appendix 3).

(b) Demolition of Indicated Portion of Block 41

After the City of Lincoln has acquired the property rights on Block 41 indicated above (A), it will prepare the site (removal of parking lot and underground rubble) for construction including securing insurance and bonds, and taking other necessary measures to protect citizens, and, sub project and surrounding properties.

In addition, before the City demolishes the parking lot, it will relocate the current business and pay business relocation and displacement expenses (see Relocation Plan, Appendix 5).



**Exhibit IV-37
Proposed Site Plan**

●●●●● Sub-Project Boundary -- 12th Street Revitalization / Theatre - Phase II
 \\\ Motion Picture Facility

**Lincoln Center
Redevelopment Plan**



(c) Disposition

It will be necessary to solicit the input of a redeveloper. Redeveloper will be selected in an equitable, open and competitive competition according to the Land Disposition Proposals outlined in Appendix 4.

(d) Population/Unit Density

The population/unit density is not applicable to the sub project. Property to be acquired is a parking lot and redevelopment involves construction of a motion picture theatre.

(e) Land Coverage and Building Density

The net overall land coverage will remain the same, however the building density will increase by approximately 14,200 square feet (from a parking lot to a structure).

(f) Traffic Flow, Street Layouts and Street Grades

It is anticipated that redevelopment/revitalization activities contemplated on Block 41 will cause an increase in pedestrian and automobile traffic.

(g) Parking

Parking will not be provided within the sub project itself, but be served by an extensive inventory of public and private parking facilities in the adjacent surrounding area.

(h) Zoning, Building Codes and Ordinances

The present Lincoln Central Business District (B-4) zoning allows for the type of development proposed. Likewise, the City's adoption of the Uniform Code for the Abatement of Dangerous Buildings, the Uniform Building Code and their specific City amendments will properly protect the public health, safety and welfare of the people. At this time, there are no contemplated changes in the City's zoning laws or building codes in and to implement this sub projects. It may be necessary, however, to adopt ordinances to special assess skywalks; and community improvement financing bonds.

(i) Public Utilities

Public utilities located in the sub project area, will remain.

3. Proposed Cost and Financing

The total expenditure for the 12th Street Theatre Sub Project is estimated to be \$1,688,500.

The effective date of the community improvement financing provisions of the 12th Street Theatre Sub Project is declared to be the 1st day of October, 1990.

The acquisition of property rights, relocation of business occupant, demolition, and construction of sidewalks, pedestrian and other amenities and professional service fees will be funded by the public using a combination of following sources including:

- (a) Any ad valorem tax levied upon real property in the redevelopment/revitalization sub project on Lots 1 and 2, Block 41 for the benefit of any public body shall be divided, for a period not to exceed 15 years after the effective date of the such provision by the governing body as follows:
 - (i) That portion of the ad valorem tax which is produced by the levy at the rate fixed each year by or for each such public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body; and
 - (ii) That portion of the ad valorem tax on real property in the redevelopment project in excess of such amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to pay the principal of, and interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such development for financing or refinancing, in whole or in part, a redevelopment project, When such bonds, loans, notes, advances of money, or indebtedness, including interest in premiums due, have been paid, the authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon taxable real property in such a redevelopment project shall be paid into the funds of the respective public bodies.

Exhibit IV-41 summarizes community improvement financing for the 12th Street Theatre Sub Project.

- (b) \$12 Million G.O. Bond Funds
- (c) Earned Interest Income

4. Implementation Steps

Under the Nebraska Community Development Law, the first step in redeveloping an area is for the City to declare the area blighted and substandard and in need of redevelopment/revitalization. The Lincoln City Council completed this first step by declaring the Downtown Area blighted on October 22, 1984 and affirmed by resolution on October 19, 1987 the area as blighted and substandard. The City Council determined that private enterprise could not redevelop this area without the assistance provided by the Community Development Law.

The implementation steps for the Redevelopment Sub Project are:

- Solicit and select a redeveloper for the private facilities and improvements.
- Negotiate land disposition and operating agreement with selected redeveloper.

- Issue and sell Community Improvement Financing Bonds if and when necessary.
- Acquire property rights.
- Relocate Business as necessary.
- Competitively select primary contractor to demolish and clear necessary portions of redevelopment areas.
- Sell/lease building site for development of retail/mixed use space to private redeveloper.
- Competitively select architects and engineers to design any public facilities and improvements.
- Approve the public facilities and improvements design.
- Competitively select primary contractors to construct public facilities and improvements.
- Construction of public and private facilities and improvements.

EXHIBIT IV-39

PHASE II - 12TH STREET THEATRE SUB PROJECT EXPENDITURES

Public Expenditures

Property Acquisition, Relocation, Demolition and Disposition	\$ 372,000
Construction of Public Improvements (Canopies, Curbs and Sidewalks)	59,900
Architect/Engineering Services	7,500
Bond underwriters and issuance expenses, capitalized interest, D/S reserve	24,300
Contingency (5%)	<u>24,800</u>
	\$ 488,500

Private Redeveloper Expenditures

12th Street Theatre Development	<u>\$1,200,000</u>
	\$1,200,000

GRAND TOTAL PUBLIC/PRIVATE EXPENDITURES **\$1,688,500**

EXHIBIT IV-40

PHASE II - 12TH STREET THEATRE SUB PROJECT FUNDING SUMMARY

Funding By Type of Funding

Public Sources

Developer Contribution	\$ 2,500
Community Improvement Financing	116,000
\$12M G.O. Bond Funds (Sale of Land Reimbursement \$139,180.34)	372,000
Interest Income (minimal)	<u>\$ 500</u>
Total Public Sources	\$ 491,000

Private Developers

Private Developers Total	<u>\$ 1,200,000</u>
TOTAL	\$ 1,691,000

EXHIBIT IV-41

PHASE II - 12TH STREET THEATRE SUB PROJECT

Community Improvement Financing

Property Valuation After Renovation:

12th Street Theatre 1991 Valuation Est. (\$1,005,422 @ 90%)	\$ 904,879
1989 Valuation	171,454
Tax Increment Value	733,425
Tax Rate	<u>.026348</u>
Tax Increment Available (without coverage) annual	\$ 19,324
Tax Increment Available (1.25 coverage) annual	\$ 15,459
Available Funds (14 years @ 9 5/8)	\$ 116,000
Debt Service Reserve	\$ (15,400)
Capitalized Interest @ 9 5/8 - 6 months	\$ (6,000)
Issuance and Underwriting Expenses (.025)	<u>\$ (2,900)</u>
Available for Construction	\$ 91,700