

G. AMBASSADOR/PRESIDENT REDEVELOPMENT PROJECT

1. Revitalization Project Description

The Ambassador/President Redevelopment Project involves all of Lots 5, 6 and 1/2 of the vacated adjacent north/south alley, Block 122 (Exhibit IV-96), which contains the Ambassador Building - 1330 Lincoln Mall and the President Building - 1340 Lincoln Mall. The buildings are currently vacant apartment structures. The redevelopment project will include the following activities/improvements:

Ambassador Building - A five-story building with 42 units: 31 efficiency units and 10 one-bedroom units, totaling 19,360 square feet. The building is currently a vacant apartment structure.

President Building - A five-story building with 42 units: 32 efficiency units and 10 one-bedroom units, totaling 19,580 square feet. The building is currently a vacant apartment structure.

Redevelopment of the Ambassador and President Buildings will be retained as residential apartment structures. The buildings, located across from the State Capitol Building, were constructed in the late 1920's, and their architectural style have historical significance -- late art deco with decorative brickwork and fine carved stone work. They are considered the City's best example of a unified pair of buildings and have been judged good candidates for nomination to the National Historic Register.

A mini recreation play area will be provided between the structures: swings, climbing bar, etc.

Other improvements related to construction may include grass seeding or sodding, landscaping, sidewalks, and other necessary amenities.

A existing site map of the Ambassador/President Redevelopment Project is presented in Exhibit IV-97.

2. Statutory Elements

(a) Property Acquisition, Relocation, Demolition and Disposal

No public acquisition of private property, relocation of families or sale of property is anticipated to accomplish the Ambassador/President Redevelopment Project. Public involvement will be a loan to private parties (HUD Section 108 Loan Funds) for acquisition of property and activities related thereto. If public acquisition is necessary, (Lots 5, 6, and 1/2 of vacated adjacent north/south alley, Block 122, Exhibit IV-98) property rights may be acquired by way of voluntary negotiations (see Land Acquisition Policy, Appendix 3).

(b) Population Density

The existing development on 5, 6 and 1/2 of the vacated adjacent north/south alley, Block 122, contains 83 vacant residential units. Through the Ambassador/President buildings rehabilitation, approximately 83 units of housing will remain in use and thereby the former population density in the project area will be retained.

(c) Land Coverage

The present land coverage and building density will remain the same.

(d) Traffic Flow, Street Layouts and Street Grades

It is anticipated that redevelopment activities contemplated on Block 122 will restore the pedestrian and traffic flow to its previous levels.

The street layout and grades in the general area will remain the same.

(e) Parking

Parking will not be provided as part of this project. Parking was not previously provided. Non-Standard Building zoning requirements do not require parking be provided. Parking needs will be taken care of in public and private parking facilities and off-street and on-street parking areas in the adjacent and surrounding area.

(f) Zoning, Building Codes and Ordinances

The present zoning in the project area is "O" office zoning, which 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 community/area. At this time, there are not contemplated changes in the City's zoning laws or buildings codes needed to implement this project. It may be necessary, however, to adopt ordinances to issue special assessment and community improvement financing to implement the project.

3. Proposed Cost and Financing of Ambassador/President Redevelopment Project

Total cost for the Ambassador/President Redevelopment Project is estimated to be \$2,309,700. This includes \$1,634,700 for the rehabilitation/construction of the buildings and \$675,000 of public loan involvement for acquisition and related purposes. Exhibit IV-99 contains a breakdown of the public's and developer's estimated expenditures.

The rehabilitation of Ambassador/President Apartment Buildings housing units will be financed from private sources. In turn, the increased property taxes generated by these private improvements can be utilized to fund the public's expenditures. (HUD Section 108 Loan repayment partially through Community Improvement Financing).

On Lots 5 and 6 and 1/2 of the vacated adjacent north/south alley, Block 122, the existing property produces an annual ad valorem tax of \$11,090. With the housing rehabilitation completed, there will be a net increase of \$19,063 a year in taxes generated by the project portion of Block 122.

Therefore, the Public HUD Section 108 Loan (Developer Acquisition Loan) will be funded in part by the public using the following sources:

- (a) Any ad valorem tax levied upon real property in the redevelopment project on Lots 5, 6 and 1/2 vacated adjacent north/south alley, Block 122, for the benefit of any public body shall be divided, for a period not to exceed 15 years after the effective date of 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 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 allotted to and, when collected, paid into a special fund of the authority to pay 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 redevelopment project shall be paid into the funds of the respective public bodies.

The Ambassador/President Redevelopment Project financing, including expenditures and funding, is summarized in Exhibit IV-99.

The effective date for the Community Improvement Financing provisions of the Ambassador/President Redevelopment Project is declared to be the 13th day of January, 1992. (City Council approval date of the project).

4. Implementation Steps

The Ambassador/President Redevelopment Project is an example of what can be accomplished when the private sector and government work together towards a common redevelopment goal. Utilizing the Community Redevelopment Law (Neb. Rev. Stat. 18-2101 et al), as amended in 1979, the City of Lincoln can now offer new financing capabilities for public improvement.

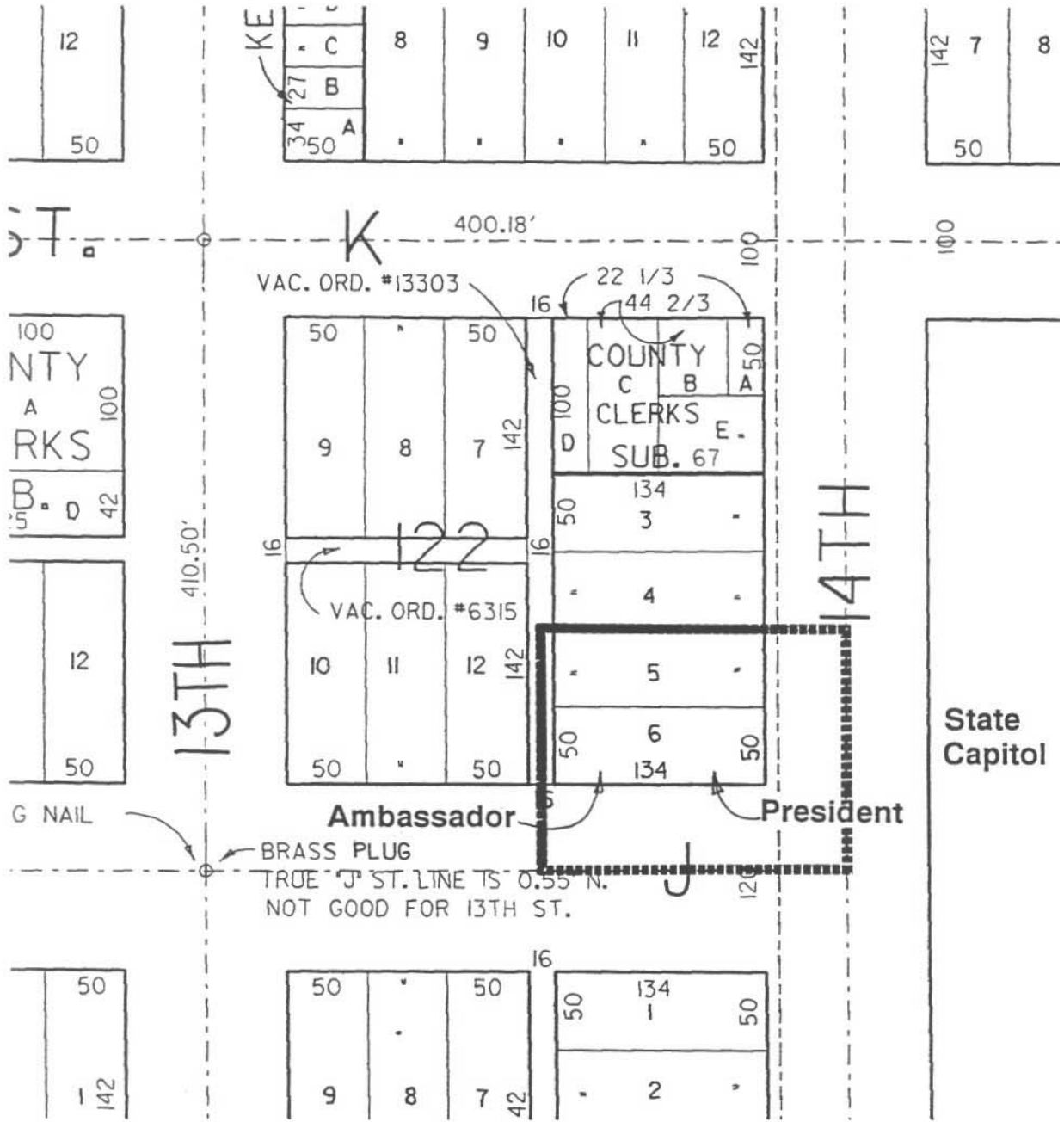


Exhibit IV-96
Existing Plat Map

■■■■■■ Ambassador/President Redevelopment Project Boundary

Lincoln Center

Redevelopment Plan



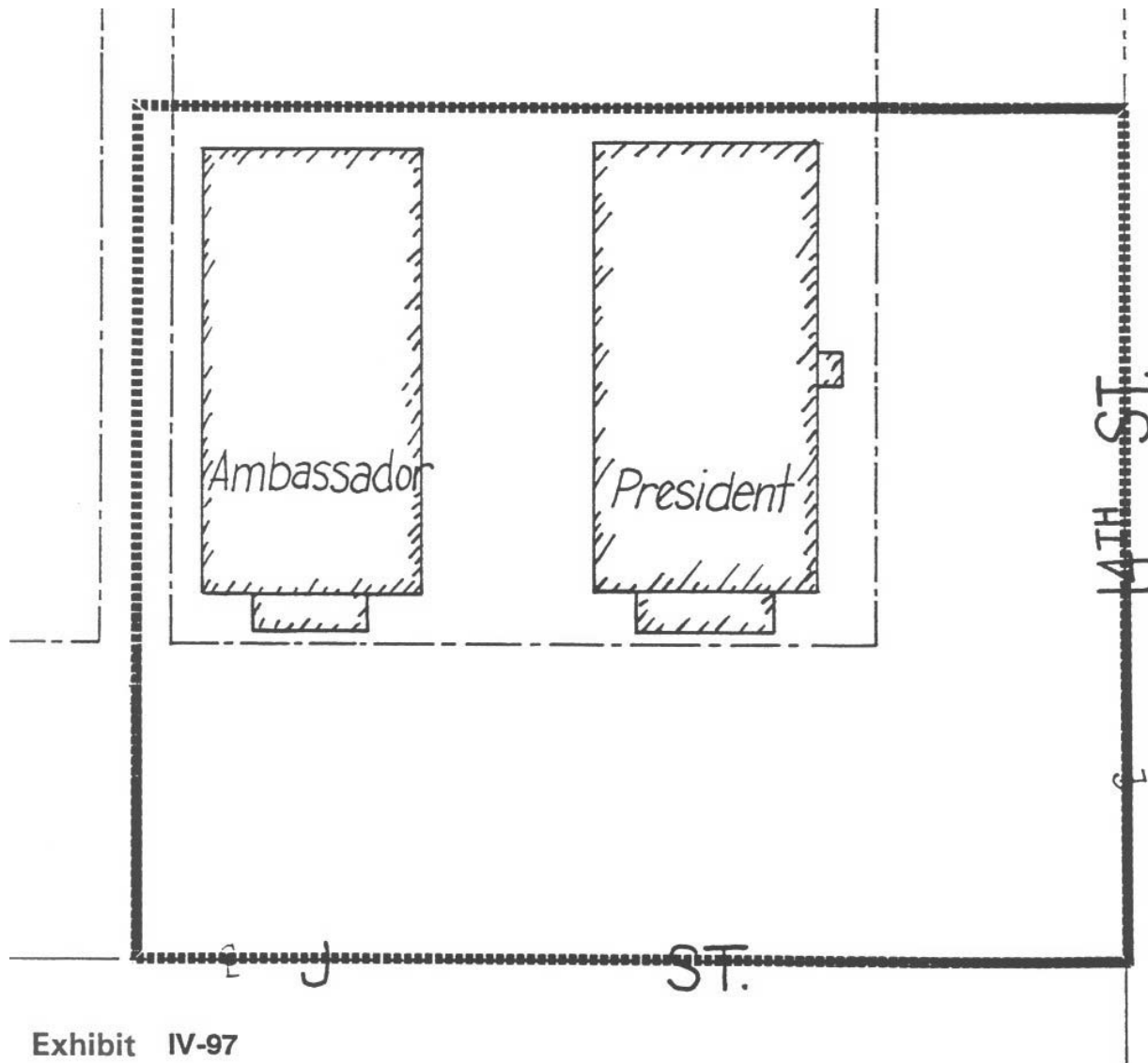
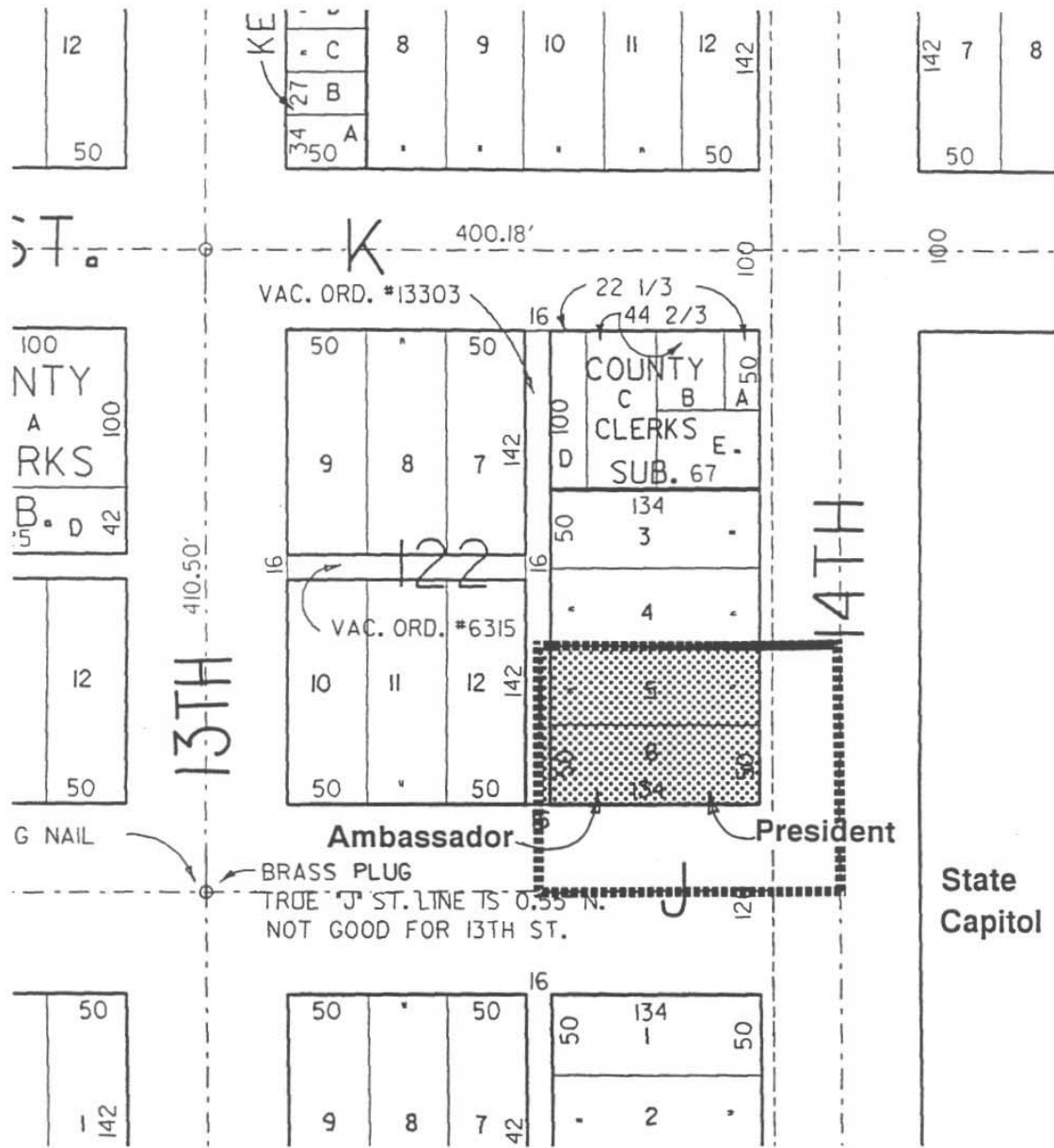


Exhibit IV-97
Existing Site Plan

— Ambassador/President Redevelopment Project Boundary

Lincoln Center
Redevelopment Plan





**Exhibit IV-98
Acquisition and Rehabilitation**

-  Ambassador/President Redevelopment Project Boundary
-  Private Acquisition and Rehabilitation

**Lincoln Center
Redevelopment Plan**



Under the 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. The Lincoln City Council completed this first step by declaring the Haymarket Area blighted on June 20, 1983 and the Downtown Area blighted on October 22, 1984, and affirmed by resolution in 1987 the area as "blighted and substandard", and amended by Resolution A-74165 on May 6, 1991. The City Council determined that private enterprise could not redevelop this area without the assistance provided by the Community Development Law (see Resolutions, Appendix 1 and Appendix 9).

The implementation steps for the Ambassador/President Redevelopment Project include:

- Private Developers select architects and engineers to design the building reconstruction/rehabilitation.
- Negotiate redevelopment agreement with developers providing Loan for property acquisition and related costs.
- Issue and sell community development notes or bonds.
- Private Developers select contractors to reconstruct/rehabilitate structures.
- Private Developers construct private rehabilitation facilities and improvements.

EXHIBIT IV-99

AMBASSADOR/PRESIDENT REDEVELOPMENT PROJECT EXPENDITURES

Public Expenditures

1.	Private Developer Loan (HUD Section 108/Loan) Property Acquisition.	<u>\$ 675,000</u>
----	--	-------------------

Total		\$ 675,000
--------------	--	-------------------

Note: Repayment through use of Community Improvement Financing,
Community Development Block Grant and Private Development
Loan repayment.

Developer's Cost

1.	Ambassador & President Apt. Buildings Acquisition and Rehabilitation: Hard Costs-Acquisition Rehabilitation Personal Property, Arch. & Eng. Costs, etc.	\$2,035,543
----	---	-------------

	Soft Costs - Loan Costs, Title Ins., Appraisal, Legal Fees, Accounting, Printing, Developer Fee, NIFA Fee, Marketing, Advertising, Operating Reserves, Contingency.	<u>\$ 274,157</u>
--	---	-------------------

TOTAL		\$ 2,309,700
--------------	--	---------------------

EXHIBIT IV-100

**AMBASSADOR/PRESIDENT REDEVELOPMENT PROJECT
COMMUNITY IMPROVEMENT FINANCING**

Community Improvement Financing Bonds

Future Assessment Value	\$ 1,100,000
1990 Assessment Value (201,780 + 198,000)	399,780
Assessment Increase	700,220
Tax Rate	<u>0.0272253</u>
Annual Tax Increment to be used for Repayment of of HUD Section 108 Loan.	\$ 19,063