

## MEETING NOTES

*Advanced public notice of the Nebraska Capitol Environs Commission meeting was posted on the County-City bulletin board and the Planning Department's website. In addition, a public notice was emailed to the Lincoln Journal Star for publication on Thursday, April 14, 2021.*

**NAME OF GROUP:** NEBRASKA CAPITOL ENVIRONS COMMISSION

**DATE, TIME AND PLACE OF MEETING:** Friday, April 23, 2021, 8:30 a.m., City Council Chambers, County-City Building, 555 S. 10<sup>th</sup> Street, Lincoln, Nebraska.

**MEMBERS IN ATTENDANCE:** Mary Campbell, Delonte Johnson, Kile Johnson, Karen Nalow, Ann Post and David Quade; Heidi Cuca absent.

**OTHERS IN ATTENDANCE:** Collin Christopher, Paul Barnes and Teresa McKinstry of the Planning Department; Dallas McGee of Urban Development Dept.; Bob Ripley of the Capitol Commission; Doug Hanson of the State Building Division; Scott Wieskamp from Lincoln Public Schools; Jeff Chadwick from Clark & Enersen; Shawn Ryba from South of Downtown; and other interested parties.

**STATED PURPOSE OF MEETING:** Nebraska Capitol Environs Commission Meeting

Chair Kile Johnson called the meeting to order and acknowledged the posting of the Open Meetings Act in the room.

K. Johnson then called for a motion approving the minutes of the regular meeting held March 26, 2021. Motion for approval made by Nalow, seconded by Campbell and carried 6-0: Campbell, D. Johnson, K. Johnson, Nalow, Post and Quade voting 'yes'; Cuca absent.

### **NEW CONSTRUCTION WORK AT 1111 LINCOLN MALL, 601 SOUTH 12<sup>TH</sup> STREET AND 1106 H STREET**

**PUBLIC HEARING:** April 23, 2021

Members present: Campbell, D. Johnson, K. Johnson, Post and Quade; Nalow declared a conflict of interest; Cuca absent.

Jeff Chadwick stated that they are in the throes of the final design. They received a comment from Collin Christopher regarding the setback for the penthouse on the upper level, and have done a revision to address that revision. There is a stair tower along the east side of the project. They were originally looking at setting the penthouse at mid-point. That would not fit with current standards, so they have adjusted that. They are looking at a fifteen-foot setback. He showed the plans for the upper penthouse. It is fifteen feet from the edge of the building to the edge of penthouse. He believes this fits within the district standards now.

K. Johnson asked if this will be on the 12<sup>th</sup> Street side. Chadwick responded that he was correct. K. Johnson wondered if the design element would be visible from the top of the Capitol. Chadwick is unsure. He suspects it might be visible, but he will check it out. Nalow believes it wouldn't be visible from the north side of Lincoln Mall. Chadwick noted that in looking at the site line, you might catch a glimpse from the midpoint of the block.

**ACTION:**

Campbell moved approval of a Certificate of Appropriateness for new construction at 1111 Lincoln Mall, 601 S. 12<sup>th</sup> Street and 1106 'H' Street, with the design as presented, seconded by Quade and carried 5-0: Campbell, D. Johnson, K. Johnson, Post and Quade voting 'yes'; Nalow declaring a conflict of interest; Cuca absent.

**McPHEE ELEMENTARY SIGN - DISCUSSION ONLY**

Members present: Campbell, D. Johnson, K. Johnson, Nalow, Post and Quade; Cuca absent.

Scott Wieskamp stated that they would like to install a new sign at McPhee Elementary School. The proposed size is 4' x 8'. The color and material palette would be consistent with the building. It would not be lit. It would be installed perpendicular to the façade south of the main entrance. He presented a simple construction drawing. This will be brought back next month for public hearing before this Commission.

K. Johnson inquired how this compares to the sign at Lincoln High School. Wieskamp responded that the sign at Lincoln High is raised. This is more of a pedestal monument. This would be consistent with all of Lincoln Public School's monument signs.

Campbell asked if the sign is proposed to be electronic. Wieskamp replied that the sign will not have any lights or electric. The letters would be changed manually.

K. Johnson thinks this looks good. He thanked Wieskamp for bringing this forward.

**O-1 ZONING TEXT AMENDMENT AND THE SOUTH OF DOWNTOWN PUD**

Members present: Campbell, D. Johnson, K. Johnson, Nalow, Post and Quade; Cuca absent.

Collin Christopher stated that there has been a lot happening in South of Downtown. A portion of that is in the Nebraska Capitol Environs District, and so he would like to give an overview of the recently completed Redevelopment and Strategic Plan and the proposed PUD. Christopher noted that Shawn Ryba is in attendance today. He also noted that Kile Johnson is the Chair for the South of Downtown Coalition Steering Committee.

On February 1, 2021, City Council approved the South of Downtown Strategic Plan. One recommendation in the plan was to create a Planned Unit Development (PUD) in South of Downtown that would allow zoning changes for a mix of uses. They have been working with a small group to vet this proposal. They have reached out to residents and business owners. The plan for this summer is to go to Planning Commission in June and City Council in July for approval.

Overall, the plan that was approved in February is a little different than a typical redevelopment plan. The City does a lot of redevelopment plans that tackle the requirements for TIF (Tax Increment Financing) and community redevelopment dollars. For this plan however, a whole strategic plan has been created with a focus on how to improve the quality of life of those who live in South of Downtown. The plan area is 10<sup>th</sup> Street to 17<sup>th</sup> Street, 'A' Street to 'J' Street. This includes three neighborhoods. There has been an extensive engagement process. Hundreds, if not thousands of doors were knocked on. Block parties and special events were held, all trying to understand the needs of the neighborhood. There were also a series of subcommittees to address specific topics such as housing. Gentrification and displacement is a big topic in this neighborhood. There isn't a full strategy for how to mitigate displacement at this point, but goals have been identified and the Implementation Committee will continue to add strategies over time. An extensive existing conditions analysis was done. Infrastructure, demographics, culture and institutions were looked at along with challenges in the neighborhood. They looked at the Comprehensive Plan and identified guiding principles. Redevelopment activity opportunities exist on both the public and private sides. Sidewalks, for instance, are an important part of creating a pedestrian environment and might be a focus of public improvements. On the private side, there is a plan to create a district wide TIF district to support a rental rehab program. They are also looking at zoning as a tool to encourage reinvestment.

Shawn Ryba stated this was a very extensive public engagement process. So many different constituents are being represented. As they were canvassing, there were a lot of ideas and suggestions that people wanted to see. The plan is a culmination of what they heard. There were 100 strategies. In working with the Steering Committee and other smaller working committees, they got it down to ten strategies with smaller sub-strategies. This is a very large and ambitious plan.

1. Problem properties and code enforcement – oldest housing stock in the city. We have to do some reinvestment and be creative.
2. Very limited with park space – We have to be creative with how we create space for things such as activities and festivals. We have the beautiful hub with the F Street Community Center and some parks. We need to think how we can work with the City, LPS (Lincoln Public Schools) and other folks to reimagine those spaces for gathering spaces.
3. Median income is around \$24,000.00 a year - the unemployment rate is a little higher than the City average. How do we create clear pathways for folks to be successful economically? How do we support businesses in the neighborhood?
4. Housing – we have to look at affordable housing. The area is 94 percent rental. Where can we create new housing? We need to be working closely with landlords.

Post inquired if there will be an affordable housing fund increase. Will there be an increase in TIF allocation? Ryba stated he is not a TIF expert. They are looking at creative ways to finance certain projects or programs in this district. He believes the TIF for this district will be very specific.

Post wanted to know what cooperative housing means. Ryba stated this area has a lot of rental. We need more homeownership opportunities. We can be rigid in our thinking sometimes. We have found numbers of folks in the neighborhood who can't afford traditional lending modules. We are looking at other opportunities for ownership and trying to look at other models in the country. There are many multi-family units in the area, along with large historic homes that have been cut up. Could we create condos or multi family?

Post knows this area is one of the densest areas in the City. How does the community feel about that? Ryba agrees that is a big question. We have the highest density and the area is zoned up to R-8. This issue is very conducive to high density. Another issue is other parts of the City are zoned R-2. This presents a problem because we can't have duplexes or 4-plexes in other parts of the City. We also have non-conforming lots that are hard to develop. 35 percent of lots are small, non-conforming lots. We think that could be an opportunity. The way the current zoning is, it is heavily downzoned in other neighborhoods. This creates problems if we cut the density in this neighborhood. Where would these folks go? There is the missing middle housing stock. It is a complicated issue. Post noted this is also a unique walkable environment.

Ryba continued with strategies:

5. Increase safety – We need to look at code enforcement and lighting issues. There are many things to look at and work with the neighborhood.

Nalow understands the idea of safety and wondered if lead in older homes has been part of the discussion. Ryba knows City just received a Federal grant to focus on lead remediation. He doesn't know the details. He believes that effort will be focused on the oldest housing stock and

infrastructure. He believes it is safe to say water mains and lines probably have high concentration of lead. They haven't dug very deep on this yet.

Ryba continued with strategies:

6. Enhance public right-of-way,
7. Sustainability of the organization to help with implementation.
8. Community land trust – We have been successful in creating the first community land trust in the state of Nebraska. We are very proud of that. The physical land is held in trust covenants that are tied to the building on top. This helps to preserve affordability. It works with homeownership, rental and commercial. This could be an amazing tool.
9. Increase landlord and tenant education – We need to work on relationships between landlords and residents. A lot of times it is providing resources and education. Renters could get some training as well. We need work more closely with Building and Safety and use language interpreters.
10. Amend the zoning ordinance and zoning – We are trying to adjust easements, parking regulations and lot size. We are trying to inspire more investment in the neighborhood.

Delonte Johnson questioned if new zoning is being proposed. He would like staff to address what goes into new additions in terms of businesses that would be allowed. He would like someone to speak to R-7 zoning and what all is included.

Christopher stated that now that a Redevelopment Plan has been formed, the next step is to form an implementation committee. Their job is to push this plan forward and track progress over the years. The PUD (Planned Unit Development) is an overlay tool that the City uses to allow additional mixing of uses that the underlying zoning wouldn't allow. It is one way to encourage other types of uses without rezoning. Usually a PUD is used in a newer development. Village Gardens is a PUD, for example. This is somewhat unique in a fully built out neighborhood. This is kind of an experiment, and the City doesn't necessarily have all the answers today. The PUD will certainly evolve over time, but this is a starting point. He showed the original Redevelopment Plan. The boundaries were 'K' Street to 'A' Street, 10<sup>th</sup> Street to 17<sup>th</sup> Street. The newly proposed boundaries are 'J' Street to 'A' Street, 10<sup>th</sup> Street to 17<sup>th</sup> Street. The Mall District along Lincoln Mall has been removed from the PUD, because it made sense to address this small change through a separate text amendment. The PUD will still have three subdistricts, taking on a tiered approach with the downtown transitional district, mixed use district and neighborhood district. He also showed the underlying zoning. There is R-6, R-7 and R-8 zoning to the north. B-3 is a commercial zone that would allow a more natural mixing already. Christopher pointed out that they are only adding to what is currently allowed by the underlying zoning.

The downtown transitional district is expected to be the most intensive. They are focused on small-scale uses. This wouldn't allow a big box development. There will be size limits. New permitted uses will include retail, office, personal services, and co-op housing. Regarding co-op

housing, there are two types of co-op housing. The first scenario is typically owned by a corporation and includes shareholders that are able to live in individual units. Though the ownership structure is unique, the city views this type of co-op as being similar to an apartment or condo. He doesn't believe there would need to be any changes to allow this type in the City. The second scenario operates similar to student housing, with bedrooms combined with communal spaces. Christopher stated that Ryba had worked with UNL Architecture students on exploring this type of co-op housing. The idea is to allow people to live in a building with shared spaces. This is not really allowed under the current zoning code. There is a limit on the number of unrelated people who can live together, though there is an exception for student housing. The new proposal would allow interested developers to explore this model.

The mixed use district would not have retail and restaurants but would still allow office and personal services, as well as co-op housing. For the neighborhood district, the only new use is co-op housing.

Districtwide, the PUD also identifies a series of existing uses where restrictions will be peeled back. This would include home occupations. The current regulations state that 20 percent of the dwelling unit can be used for a home occupation. This PUD is proposing increasing that to 50 percent. The second current condition states that the only allowed employees are people who live in the house. This would change that to allow four employees who don't live in the house.

The second modified use relates to urban gardens. The modification would allow greenhouses, but would include some standards so that they are of good quality. This modification would also allow the on-site sale of produce that was grown on that lot.

The third modification centers around small, nonstandard lots. 35% of all lots are considered nonstandard in this area, although many are still buildable. The zoning code restricts redevelopment on these lots, and at some point the existing housing stock will need to be redeveloped. There are some exemptions in the code to allow that, but the PUD is proposing a new standard for the small lots that would address setbacks to provide more buildable area. This new standard would be by right without any special approval process. The hope is that this change will make a substantial difference.

The fourth modification looks at parking lots and allows temporary activities such as festivals, food truck plazas and business incubator spaces.

The PUD is likely to also include some prohibited uses. One of those would be drive-thrus.

Lincoln Mall was removed from the PUD. Almost all O-1 zoning is downtown and in the Capitol Environs. Currently O-1 allows residential and office. It does allow restaurants, but limits the square footage of the restaurant to 20 percent of the building, and requires that it be located in

a building that has a residential or an office component. City staff is proposing changing the allowed square footage from 20 percent to 50 percent. Secondly, there is a requirement that a restaurant use be located entirely within the building. It can't have a main entrance off the street. Staff is proposing to eliminate that requirement to allow a more mixed use building and to not restrict how restaurants are accessed. Finally, staff is proposing to allow restaurants to sell alcohol on site. Christopher stated that both the O-1 text amendment and the PUD would be in front of Planning Commission in June, and that the Capitol Environs Commission can continue this discussion in May if more review time is needed.

Post is looking at the language to eliminate 'entirely within the building'. She wondered what that means a for sidewalk café. Christopher doesn't think the language gets into that. If we want to allow or encourage sidewalk cafes, we would have to do some additional review of the zoning code. Post isn't opposed to sidewalk cafes. Removing the language seems to perhaps open it up to the possibility. Christopher believes that is a good point.

Nalow stated that overall, she is very excited about this change. She believes some details need to be vetted to consider how this change might apply to the malls versus the rest of the Environs district. She can support this change.

K. Johnson noted that Landmark 1 has a restaurant inside. Would this allow outside seating with fencing so it could expand? Does the possibility exist? Christopher believes it could be allowed if something else wasn't restricting it. If we wanted to encourage it, we could add language to the standards. He doesn't know for sure if that would fully open the possibility or not. He would have to do some research. K. Johnson believes it would be helpful to have a fenced outdoor area.

Christopher inquired if the consensus is to encourage sidewalk cafés? Nalow wondered if we want a sidewalk café on Centennial Mall and would it be an appropriate use. It would be better served on another street, not mall facing. K. Johnson agreed with that point.

Post would like clarification on how different sidewalk cafes would work. She would like this brought back next month for further review. She would like staff to address the question on how this would impact parking in this area as well. Christopher acknowledges some parking restrictions have to be peeled back within the PUD, but that there has to be a balance. His initial instinct is that we don't want to reduce parking requirements for restaurants in the O-1 District. Post believes that restaurants are great, but we need to address parking at the same time. She would like to have that conversation. Christopher will put together an analysis. Post stated that parking is an issue. Walkability of this area was mentioned before. There are a lot of office uses here and that kind of use would be helpful.

Ryba added that the other challenge is the State Capitol and a lot of employees parking in the neighborhood. He hasn't seen a lot of creative solutions to address that. We will continue to have

that without a solution. We need to research how we can get State employees to park in State spaces.

Campbell wondered about the restriction on drive-thrus. She understands the need to make this more pedestrian-friendly but wondered if it will come back to bite us. Christopher noted that is a good question. It is up for debate. He hasn't heard any push back against that requirement. We can accommodate other take-out options. The overarching goal is not just creating a pedestrian oriented environment and interest in allowing some of these uses but preserving the housing stock that is there. As creative as this PUD is, he thinks there are ways to address the purpose of the drive-thru. Nalow understands this is a very unique area. A drive-thru may not be right for this area. She is excited to see the creativity and new solutions that will come.

Christopher thinks this will be ever evolving. We might find it isn't possible to do a restaurant without a drive-thru. This can always be modified.

K. Johnson sees restaurants as not just a destination, but people from the surrounding businesses and neighborhoods could use it.

Christopher will do more research and bring this back next month for continued discussion. He will continue to do engagement and finalize the proposal. The hope is the Capitol Environs Commission would provide a recommendation to Planning Commission and City Council. This would not be a Certificate of Appropriateness.

### **COMPREHENSIVE PLAN UPDATE**

Members present: Campbell, D. Johnson, K. Johnson, Nalow, Post and Quade; Cuca absent.

Paul Barnes stated that staff has been leading an effort for about a year and a half now to update the Comprehensive Plan. We are adding ten years to the horizon and going out to the year 2050. We have been having a lot of meetings and discussions. There are several committees involved as part of the update process. We are starting to pull the content into a draft document while we continue outreach. We plan to present the draft this summer. Fall and winter would be a possible public event, maybe in person. We have had a few activities. There is a Community Committee group of about 30. They have had more than 16 meetings. Various topics have been discussed. We have worked with Shawn Ryba and South of Downtown for outreach. A new Equity Subcommittee was created. The team has dived into the topics of equity and inequities that may exist in Comprehensive Plan policies. Staff has met with them since last fall to analyze policies under an equity lens. We think the outcome will be a more robust kind of product. We have had a few public events for the Comprehensive Plan update process. One of those was an in-person event for the kickoff in February 2020. It has been mostly virtual since. Given the limitations, we have had a pretty good success rate with surveys. The update of the Long Range Transportation

Plan (LRTP) is a parallel project. This is undertaken with the Metropolitan Planning Organization (MPO), a federally designated jurisdiction that looks at transportation plans and improvements. We have held surveys and focus groups on that component as well. The growth scenario is a main component of the Comprehensive Plan. We work heavily with our utilities folks. They put in sewer and water, which is where growth will happen. He showed the recommended growth areas beyond the 2040 limit. We base our information and planning on population projections done with the Center for Urban Affairs in Omaha. We are projecting 48,000 new households by 2050, 4.0 units per acre, 25 percent infill and 6.9 square miles of additional land.

Christopher sent out the Placemaking chapter of the Comprehensive Plan last week. He wanted to touch on a couple of topics relevant to Capitol Environs.

He started with the first topic of entry corridors and showed a map of entryways in the current plan. He mentioned the West 'O' Streetscape Enhancement Plan and the Cornhusker Corridor Enhancement Plan as recent examples of studies that address improvements in the public right-of-way of entry corridors. The second part of this equation is to address how to further incentivize or guide private reinvestment. He also mentioned that city staff did a review of all entry corridors a few years ago and provided broad recommendations. Some of those will likely find their way into the update.

Topic two is the State Capitol. The overall theme is to protect and enhance. Not just the Capitol, but the mall, the district and the site lines to the Capitol. We will continue to enforce standards and provide continued maintenance. We will continue to work with Nebraska Capitol Environs Commission and engage the commission early on in projects. We will coordinate efforts to address mutual interests.

Topic three is Community Spaces, which is a newly added. The overarching theme is to enhance community gathering spaces and enhance existing community spaces. We want to create a framework that ensures those spaces meet community expectations. We will engage diverse stakeholder groups to make sure we address the needs of the community and partner with local organizations and businesses to further activate public spaces. We need to identify and prioritize funding for maintenance and enhancement. We want to look at temporary design solutions as a way to experiment with spaces and test out new solutions in an affordable way. Finally, we want to support implementation of community-led placemaking projects. South of Downtown is a great example of how community-led placemaking has added to the vibrancy and character of that neighborhood.

K. Johnson was surprised at the entry corridor on Hwy. 77. West 'O' Street cries out for that. He never thought about the site lines coming in from West 'O' Street. Christopher stated this was looked at as part of the West 'O' plan, and that they are thinking about framing the views in that area.

Nalow appreciates the idea. There are a lot of good views on the west and north. At one point and time, we looked at different areas. There are some on the east side that afforded some good views of the Capitol. She wants to make sure we don't just focus on one area.

K. Johnson thanked staff for bringing this forward.

Christopher stated that comments or questions can be sent to staff. They are still at a point where they are taking recommendations. Now is a good time to add feedback to the process.

There being no further business, the meeting was adjourned at 10:00 a.m.