

Lincoln City - Lancaster County

PLANNING COMMISSION AGENDA

PLANNING COMMISSION

Tracy Corr: Chair
Tom Beckius: Vice-Chair
Shams Al-Badry
Dick Campbell
Tracy Edgerton
Deane Finnegan
Cristy Joy
Cindy Ryman
Dennis Scheer

PLANNING STAFF

David R. Cary: Director
Geri Rorabaugh: Administrative Officer
Teresa McKinstry: Office Specialist

August 21, 2019

NOTICE: The Lincoln/Lancaster County Planning Commission will hold a public hearing on Wednesday, August 21, 2019, at 1:00 p.m. in Hearing Room 112 on the first floor of the County-City Building, 555 S. 10th St., Lincoln, Nebraska. For more information, call the Planning Department, (402) 441-7491.

****PLEASE NOTE:** The Planning Commission action is final action on any item with a notation of "FINAL ACTION". Any aggrieved person may appeal Final Action of the Planning Commission to the City Council or County Board by filing a Notice of Appeal with the City Clerk or County Clerk within 14 days following the action of the Planning Commission.

The Planning Commission action on all other items is a recommendation to the City Council or County Board.

AGENDA

WEDNESDAY, AUGUST 21, 2019

Approval of minutes of the regular meeting held August 7, 2019.

1. **CONSENT AGENDA**
(Public Hearing and Administrative Action):

TEXT AMENDMENT:

- 1.1 TEXT AMENDMENT 19004, amending Section 27.67 of the Lincoln Municipal Code by amending Section 27.67.040 (ai) to add parking provisions for automatic car wash facilities, requiring 1 space per 3 employees on the largest shift, with no parking required for self-service car washes, and repealing Section 27.67.040 of the Lincoln Municipal Code hitherto existing.
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- Staff recommendation: Approval**
Staff Planner: George Wesselhoft, 402-441-6366, gwesselhoft@lincoln.ne.gov

2. **REQUESTS FOR DEFERRAL:**

3. **ITEMS REMOVED FROM CONSENT AGENDA:**

4. **PUBLIC HEARING DELAYED TO SEPTEMBER 4, 2019:**

SPECIAL PERMIT:

- 4.1 SPECIAL PERMIT 19036, to allow for the construction of a Large Solar Energy Conversion System, on property generally located from "O' Street to Adams Street and N. 134th St to N. 148th Street. ***** FINAL ACTION *****
- Staff Planner: Tom Cajka, 402-441-5662, tcajka@lincoln.ne.gov**

5. PUBLIC HEARING AND ADMINISTRATIVE ACTION:

COMPREHENSIVE PLAN CONFORMANCE:

5.1 COMPREHENSIVE PLAN CONFORMANCE 19007, to review as to conformance with the 2040 Lincoln-Lancaster County Comprehensive Plan, a proposed amendment to the Nebraska Innovation Campus Redevelopment Plan, to add a 3-story, approximately 80,000 square foot office building project and a 6-story hotel project with approximately 153 guest rooms, on property legally described as Outlots A and C (to be final platted), Innovation Campus 2nd Addition, generally located at 21st Street and Transformation Drive.

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Staff recommendation: In Conformance with the Comprehensive Plan
Staff Planner: Andrew Thierolf, 402-441-6371, athierolf@lincoln.ne.gov

**AT THIS TIME, ANYONE WISHING TO SPEAK ON AN ITEM
NOT ON THE AGENDA, MAY DO SO**

Adjournment

PENDING LIST: *Special Permit 18045, to allow for a County AG (Agricultural District) CUP (Community Unit Plan), consisting of 148.49 acres, more or less, for 9 single family acreage lots on property generally located at North 14th Street and Rock Creek Road.*

Preliminary Plat 18002, to add 430 residential lots on approximately 152.1 acres, more or less, on property generally located at the SW corner of West Old Cheney Road and South Folsom Street.

Planning Department Staff Contacts:

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George Wesselhoft, <i>Planner</i>	402-441-6366..	gwesselhoft@lincoln.ne.gov
Brian Will, <i>Planner</i>	402-441-6362..	bwill@lincoln.ne.gov
Kellee Van Bruggen, <i>Transportation Planner</i>	402-441-6363..	kvanbruggen@lincoln.ne.gov
Allan Zafft, <i>Transportation Planner</i>	402-441-6369..	azafft@lincoln.ne.gov
Ed Zimmer, <i>Historic Preservation Planner</i> .	402-441-6360..	ezimmer@lincoln.ne.gov

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**The Planning Commission meeting
which is broadcast live at 1:00 p.m. every other Wednesday
will be rebroadcast on Wednesdays at 7:00 p.m., Thursdays at 12:00 a.m. and Sundays
at 12:30 p.m. on 5 City TV, Cable Channel 5.**

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**The Planning Commission agenda may be accessed on the Internet at
<http://www.lincoln.ne.gov/city/plan/pcagenda/index.htm>**

ACCOMMODATION NOTICE

The City of Lincoln complies with Title VI of the Civil Rights Act of 1964 and Section 504 of the Rehabilitation Act of 1973 guidelines. Ensuring the public's access to and participating in public meetings is a priority for the City of Lincoln. In the event you are in need of a reasonable accommodation in order to attend or participate in a public meeting conducted by the City of Lincoln, please contact the Director of Equity and Diversity, Lincoln Commission on Human Rights, at 402 441-7624 as soon as possible before the scheduled meeting date in order to make your request.

MEETING RECORD

NAME OF GROUP: PLANNING COMMISSION

DATE, TIME AND PLACE OF MEETING: Wednesday, August 7, 2019, 1:00 p.m., Hearing Room 112, on the first floor of the County-City Building, 555 S. 10th Street, Lincoln, Nebraska

MEMBERS IN ATTENDANCE Tom Beckius, Cristy Joy, Dick Campbell, Tracy Edgerton, Dennis Scheer, Tracy Corr and Deanne Finnegan; David Cary, Steve Henrichsen, George Wesselhoft, Dessie Redmond, Tom Cajka, Geri Rorabaugh and Rhonda Haas of the Planning Department; media and other interested citizens.

STATED PURPOSE OF MEETING: Regular Planning Commission Hearing

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

Scheer called for nominations for Planning Commission Chair. Campbell nominated Tracy Corr, seconded by Joy and carried 7-0: Beckius, Campbell, Corr, Edgerton, Joy, Finnegan and Scheer voting 'yes'.

Scheer handed the meeting over to Chair Corr.

Corr called for nominations for Vice-Chair. Campbell nominated Tom Beckius, seconded by Joy and carried 7-0: Beckius, Edgerton, Joy, Finnegan, Campbell, Corr and Scheer voting 'yes'.

Corr requested a motion approving the minutes for the regular meeting held July 24, 2019.

Motion for approval of the minutes made by Finnegan, seconded by Campbell and carried 6-0: Campbell, Beckius, Corr, Edgerton, Joy, Finnegan and Scheer voting 'yes'; Corr abstained.

CONSENT AGENDA

PUBLIC HEARING & ADMINISTRATIVE ACTION

BEFORE PLANNING COMMISSION:

August 7, 2019

Members present: Beckius, Joy, Scheer, Campbell, Edgerton, Corr and Finnegan.

The Consent Agenda consisted of the following items: **Use Permit 133A and Use Permit 19009.**

There were no ex parte communications disclosed.

Note: This is **FINAL ACTION** on **Use Permit 19009** unless appealed by filing a letter in the Office of the County Clerk within 14 days. This is a recommendation to the City Council all other items.

Beckius moved approval of the Consent Agenda, seconded by Scheer and carried 7-0: Beckius, Campbell, Edgerton, Scheer, Finnegan, Joy and Corr voting 'yes'.

Chair Corr called for Requests for Deferral.

SPECIAL PERMIT 19035
TO ALLOW FOR THE CONSTRUCTION OF A COMMERCIAL FEEDLOT, ON PROPERTY
LOCATED AT NW 27TH STREET AND ASHLAND ROAD. August 7, 2019

Staff recommendation: Four-week deferral.

The Clerk noted that the applicant has requested to defer this item for four weeks to the regular Planning Commission hearing on September 4, 2019.

Campbell moved to grant the request for a 4-week deferral for public hearing and action on September 4, seconded by Edgerton and carried 7-0: Beckius, Campbell, Edgerton, Scheer, Finnegan, Joy and Corr voting 'yes'.

Jonathan Leo, 2321 Devonshire Drive, came forward and asked if the applicant had provided a reason for the request for deferral.

Corr stated all information pertaining to this application is available on the City website.

Tom Cajka, Planning Department, came forward and stated that one of the conditions is for West Ashland Road to be improved. The two counties, Saunders and Lancaster, are currently working out what those improvements will entail before this application moves forward.

There being no further business to come before the Commission, the meeting was adjourned at 1:11 p.m.

Note: These minutes will not be formally approved by the Planning Commission until their next regular meeting on Wednesday, August 21, 2019.

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LINCOLN/LANCASTER COUNTY PLANNING COMMISSION STAFF REPORT

FROM THE LINCOLN/LANCASTER COUNTY PLANNING DEPARTMENT, 555 S. 10TH STREET, SUITE 213, LINCOLN, NE 68508

APPLICATION NUMBER Text Amendment 19004	FINAL ACTION? No
PLANNING COMMISSION HEARING DATE August 21, 2019	RELATED APPLICATIONS None

RECOMMENDATION: APPROVAL

BRIEF SUMMARY OF REQUEST

This proposed text amendment was submitted by REGA on behalf of City Ventures to reduce the parking requirement for automatic car washes. The proposal would require automatic car washes which are the primary use to have 1 space per 3 employees on the largest shift with no parking required for self-service or accessory automatic car wash facilities. Currently car wash parking is based on the square footage of the building. The request relates to the applicant’s proposed car wash at the site of the former Husker Car Wash at 6135 O Street.

JUSTIFICATION FOR RECOMMENDATION

Currently, the parking required for car washes is based on the zoning district general requirement, in most commercial zoning districts 1 space per 300 square feet. This requirement is not specific to car washes and makes no distinction for automatic versus self-service car wash facilities. The proposed text amendment would specifically add parking requirements for car wash facilities and would differentiate between the automatic facilities and the self service facilities. This level of specificity will allow flexibility while still requiring parking where it is justified. Access Management Policy requirements, which include minimum vehicle queuing distances for both automatic and self-service car washes, would still apply.

APPLICATION CONTACT

REGA Engineering Group
(402) 484-7342
nate@regaeng.com

STAFF CONTACT

George Wesselhoft, Planner
(402) 441-6366
gwesselhoft@lincoln.ne.gov

COMPATIBILITY WITH THE COMPREHENSIVE PLAN

The 2040 Comprehensive Plan encourages greater utilization of existing facilities in the urban area in addition to providing flexibility to the marketplace in siting future commercial locations. This proposed amendment addresses parking requirements for a specific use consistent with this Comprehensive Plan.

KEY QUOTES FROM THE 2040 COMPREHENSIVE PLAN

P. 5.1-5.2 - Business & Economy Guiding Principles

- Provide flexibility to the marketplace in siting future commercial and industrial locations.

p. 5.7-5.8 - Strategies for Commercial Centers

- Locate the most intensive commercial uses, such as restaurants, car washes, grocery stores, gas stations/convenience stores and drive through facilities nearer to the major street or roadway and furthest from the residential area (unless contained within a mixed use center).

P. 8.1 - Overall Guiding Principles

- Promote a functional balance between community facilities and growth.

ANALYSIS

1. This request is for a text amendment to the Lincoln Municipal Code Section (LMC) 27.67.040 Parking Requirements; Special Conditions to add text such that automatic car wash facilities that are the primary use of the property shall have 1 stall per 3 employees on the largest shift with no parking required for self-service or accessory car washes.
2. Currently, LMC 27.67 Parking does not provide specific conditions for car washes (motorized vehicle wash facilities use). Parking for car washes therefore is determined from the Parking Matrix (Figure 27.67.020) and is a general requirement based on the zoning district for commercial use. In most of the commercial zoning districts where motorized vehicle wash facilities are permitted, including the B-1, B-2, B-5, H-3 and H-4 districts, the standard is 1 parking space per 300 square feet. In the B-3 and H-2 zoning districts the standard is 1 space per 600 square feet. The requirement for parking based on square footage of the building may, especially for larger car wash facilities, mean dozens of parking spaces have to be provided for a car wash. Parking stalls with air pumps or vacuums do not count as required parking spaces according to the Building & Safety Department. For example, a 3,000 square foot car wash with 12 vacuum stations requires 10 parking stalls even though there might only be 3 staff. Customer cars would either be in line or at vacuum stations, so zero stalls effectively are needed for customers. The 1 stall per 3 employees requirement for the automatic car wash facilities is proposed to provide a minimum amount of parking for employees, keeping in mind the vacuum stalls are not counted as parking and there are queuing requirements for customers in line.
3. The proposed amendment is to provide flexibility for car wash businesses to require parking where there are employees for the automatic facilities, which may be larger in size in terms of operation than a self-service facility. No parking would be required for self-service car washes or where they are accessory use such as a convenience store car wash as these types of facilities would generally not have car wash employees on site.
4. In addition to LMC 27.67, the Access Management Policy (P. 13-14) would apply as it pertains to waiting vehicle storage requirements for car washes. Specifically, an automatic car wash would be required 220' per bay at entrance and 22' per bay at exit for minimum waiting vehicle storage. A self-service car wash would require 100' at entrance and 20' per bay at exit.
5. This amendment is being requested by the applicant for City Ventures to clarify parking requirements where the current requirements are in excess of what is utilized by the use. The request would apply to car washes that are the primary use of the property as opposed to an incidental use such as a convenience store car wash.
6. The 2040 Comprehensive Plan encourages greater utilization of existing facilities in the urban area in addition to providing flexibility to the marketplace in siting future commercial locations. This amendment allows flexibility for existing and new potential businesses in the urban area and is consistent with the Comprehensive Plan.

Prepared by:

George Wesselhoft, Planner

(402) 441-6366

Date: August 8, 2019

Applicant: REGA Engineering Group
601 Old Cheney Road, Suite A
Lincoln, NE 68512
(402) 484-7342
nate@regaeng.com

Contact: Nathaniel Burnett
601 Old Cheney Road, Suite A
Lincoln, NE 68512
(402) 484-7342
nate@regaeng.com

F:\DevReview\TX\19000\TX19004 Car Wash Parking Requirements.gjw.docx

REGA No. 191007
July 23, 2019

Mr. David Cary
Director of Planning
George Wesselhoft, Planner
City of Lincoln/ Lancaster County
555 South 10th Street
Lincoln, NE 68508

RE: TEXT AMENDMENT
CLARIFICATION OF PARKING REQUIREMENTS FOR CAR WASH FACILITIES

Dear David,

On behalf of City Ventures, we are submitting a text amendment request to clarify the parking requirements for car wash facilities within the City of Lincoln Municipal Code. The current code requirement is based on a square footage requirement of 1 stall/300 sq. feet. Due to the nature of the services provided with this use, the current parking requirements are in excess of what is utilized by the designated use. For example, an automated car wash facility with a square footage of 6,000 SF would require 20 stalls. Twenty stalls for a use that customers do not park for but instead wait in line for seems unwarranted. The required parking at these types of facilities should be based on the number of employees.

In a review of similar jurisdictions and guidance from the City of Lincoln planning department, we would recommend the attached addition to Chapter 27.67040.ah. This request would apply to car washes that are the primary use on their lot.

Please contact me if you have any questions or comments.

Sincerely,



Nathaniel P. Burnett, P.E.

Cc: Chris Erickson

Enclosures: Application
Application Fee of \$412.00
Text Amendment Language

TEXT AMENDMENT
Recommended Language

27.67.040.ah Parking Requirements for Automatic Car Wash Facilities

For automatic car wash facilities that are the primary use of the property, parking shall be 1 stall per 3 employees on the largest shift. No parking (0) shall be required for self-service car washes.

ORDINANCE NO. _____

1 AN ORDINANCE amending Lincoln Municipal Code Section 27.67.040 Parking
2 Requirements; Special Conditions to add that automatic motorized vehicle wash facilities require
3 1 parking space per 3 employees on the largest shift; by amending Figure 27.67.040 Uses with
4 Special Parking Requirements to add “Motorized Vehicle Wash Facilities”; and repealing Section
5 27.67.040 and Figure 27.67.040 of the Lincoln Municipal Code as hitherto existing.

6 BE IT ORDAINED by the City Council of the City of Lincoln, Nebraska:

7 Section 1. That Section 27.67.040 of the Lincoln Municipal Code be amended to
8 read as follows:

9 **27.67.040 Parking Requirements; Special Conditions.**

10 An alphabetical list of uses with special parking requirements for this title are set out in
11 Figure 27.67.040 at the end of this chapter. Any change in use from one with a special parking
12 requirement to another use in the future could result in a higher parking requirement, and the need
13 to reconfigure the parking and/or building to accommodate the change in the requirement. The
14 following special parking requirements shall apply to the listed uses in place of the general parking
15 requirements found in Section 27.67.020:

16 (a) A fraternity or sorority shall provide 0.75 spaces per resident. Parking shall be
17 provided either onsite or within 600 feet of the premises. Notwithstanding the above, no parking
18 shall be required for a fraternity or sorority located within the boundaries of 14th Street to 17th
19 Street and Q Street to W Street.

20 (b) Group homes: One space per three client or employee residents, plus two spaces per
21 three nonresident employees on the largest shift; provided, however, that no spaces shall be

1 required for client residents who will not possess motor vehicle operator's licenses. Appropriate
2 documentation from the group home licensing agency shall be provided evidencing the non-
3 possession of motor vehicle operator's licenses by clients.

4 (c) Adult day service facilities: One space/employee on the largest shift, plus off-street
5 loading/unloading area for one automobile per ten care receivers. Joint parking with another use
6 is acceptable if the adult care center and the other use have nonconcurrent parking demands.

7 (d) Elderly or retirement housing: One space/dwelling unit.

8 (e) Mini-warehouses:

9 (1) Two spaces for manager's quarters or office; and

10 (2) One space for every 60 storage cubicles; however, if access lanes and roads to
11 the storage area are twenty feet or greater in width, to allow vehicles to unload
12 and pass, no additional parking for the storage cubicles is required.

13 (f) Two-family or attached single-family dwellings, approved as part of a Special Permit
14 for a Community Unit Plan pursuant to Chapter 27.65 Community Unit Plan, a development plan
15 for a planned unit development pursuant to Chapter 27.60 Planned Unit Development District, or
16 a use permit pursuant to Chapter 27.64 Use Permits on lots having a width of less than 35 feet and
17 where garages take direct access from a public street or private roadway are required to provide 1
18 off-premises guest parking stall per 2 dwelling units. On-street parking may be counted if there is
19 at least 22 contiguous feet of uninterrupted curb space abutting each lot along the face of curb from
20 the edge of the curb return to the lot line.

21 (g) Drive-in restaurants: One space/40 sq. ft. of floor area.

22 (h) Bowling alleys: 4 spaces/lane (plus required parking for affiliated uses.)

1 (i) Auditoriums, theaters, grandstands, stadia, amphitheaters, and other places of public
2 assembly: One space/50 sq. ft. of seating area plus parking for affiliated uses within 300 ft. of the
3 main use.

4 (j) Recreational uses:

5 (1) Racquetball and other court games: Four spaces/court (plus required spaces for
6 affiliated uses);

7 (2) Swimming pools: One space/100 sq. ft. of water surface (plus parking for
8 affiliated uses) as determined by the city;

9 (3) Golf courses: Two spaces/hole on course, plus parking for affiliated uses.

10 (k) Hospitals: One space/2.5 beds, plus one space/employee on the largest shift.

11 (l) Places of religious assembly, chapels, public schools, private schools having a
12 curriculum equivalent to a public elementary or public high school, and private business or
13 commercial schools: One space/50 sq. ft. in largest assembly hall as determined by the City.

14 (m) Academies, such as gymnastic, karate, judo, dance, or music academies: One space
15 for every three students allowed per class session plus one space for every employee. In those
16 instances where two sessions of classes occur one after another, without at least one-half hour
17 separation between sessions, the maximum number of students allowed at both sessions shall be
18 combined in determining the amount of required parking per class session.

19 (n) Housing for the physically handicapped: (see also Section 27.63.215) One space/
20 dwelling unit.

21 (o) Domestic shelters: One space for every four residents and two spaces for every three
22 employees on the largest shift.

1 (p) Salvage yard: Six spaces, two spaces/acre of lot area, or one space/1,000 square feet
2 of floor area, whichever is greater.

3 (q) Dwellings for members of a religious order: one space for every three residents.

4 (r) Warehouses:

5 (1) Warehouses with a floor area of 50,000 square feet or less: one space per every
6 1,000 square feet of floor area or a minimum of one space per employee on the
7 largest shift. The floor area shall be calculated based on the total floor area of
8 all structures on the lot.

9 (2) Warehouses with a floor area of more than 50,000 square feet: one space per
10 every 1,000 square feet of floor area for the first 50,000 square feet of floor area
11 and one additional space per 2,000 square feet of floor area in excess of 50,000
12 square feet, or a minimum of one space per employee on the largest shift. The
13 floor area shall be calculated based on the total floor area of all structures on
14 the lot.

15 (3) If the number of spaces required by the building ratio is greater than required
16 by the employee ratio in (1) or (2) above, the additional parking spaces need
17 not be provided physically, but sufficient areas shall be reserved to
18 accommodate construction of the additional spaces. If the Building Official
19 finds at any time that the character of the use of the warehouse is such as to
20 require the full provision of parking facilities to be constructed, the Building
21 Official shall report this fact to the City Council which may, after holding a
22 hearing of which the owner shall be notified, require such additional parking to
23 be installed.

1 (s) Hotels and motels: one space per room and one space per 100 square feet of accessory
2 uses.

3 (t) Restaurants and Social Halls: one space per 100 square feet; one space per 200 square
4 feet for restaurants located in the B-1 and B-3 zoning districts; one space per 300 square feet for
5 restaurants located in the B-2 and B-5 zoning districts.

6 (u) Dwellings for caretakers employed and residing on the premises and/or accessory
7 dwelling units: one space per dwelling unit in addition to the number required for the main use.

8 (v) Early childhood care facilities: One space/ employee on the largest shift, plus off-
9 street loading/unloading area for one automobile per ten care receivers. Joint parking with another
10 use is acceptable if the early childhood care facility and the other use have nonconcurrent parking
11 demands.

12 (w) Residential Healthcare Facilities: One space for every four residents and two spaces
13 for every three employees on the largest shift.

14 (x) Sale of alcoholic beverages for consumption on the premises: One space per 100
15 square feet of floor area; one space per 200 square feet for premises for on-site alcohol
16 consumption located in the B-1 and B-3 zoning districts; one space per 300 square feet for premises
17 for on-site alcohol consumption located in the B-2 and B-5 zoning districts.

18 (y) Greenhouses and garden centers located in the AG or AGR zoning districts: For
19 greenhouses, one parking space shall be provided for each employee on the maximum shift.
20 Parking for greenhouses and garden centers in the AG zoning district may be provided on unpaved
21 areas, except for ADA accessible stalls.

22 (z) Heritage Centers and Agricultural Attractions located in the AG zoning district: One
23 space shall be provided for every 200 square feet of floor area devoted to permanent retail and

1 service use. In addition, an overflow parking area shall be provided with three stalls for every acre
2 included within the special permit area. Parking may be provided on unpaved areas, except for
3 ADA accessible stalls.

4 (aa) Community Halls, Farm Wineries, and Market Gardens located in the AG and AGR
5 zoning districts: There shall be adequate parking for vehicles compatible with the number of
6 people using the facility.

7 (ab) Off-street Freight Loading Requirements. At the time of construction, alteration, or
8 enlargement of any commercial or industrial building having a floor area of 10,000 square feet or
9 more, and containing a use or uses which requires off-street freight loading, off-street freight
10 loading areas shall be provided on the premises to serve the use and maintained as follows:

11 (1) Six hundred square feet for the first 10,000 square feet of floor area;

12 (2) An additional 600 square feet for each additional 20,000 square feet of floor
13 area.

14 (ac) Data Center: Two (2) spaces per three (3) employees on largest shift, plus land shall
15 be reserved to provide required parking for office uses in the underlying zoning districts in the
16 event the Data Center is changed to another office use.

17 (ad) Urban Gardens greater than two acres in size shall provide three off-street parking
18 stalls per every acre or part thereof over two acres.

19 (ae) Dwellings for Nonrelated Persons, for four to six persons living as a single
20 housekeeping unit permitted under a community unit plan: One space per resident.

21 (af) Parking for accessory buildings for retail sales, such as lumber storage areas, is not
22 required to be provided, when they are not fully enclosed or are left open during business hours.

1 (ag) Three parking stalls shall be provided on premises used for motorized vehicle sales
2 if the premises is less than two (2) acres in size. If the premises is two (2) or more acres in size,
3 parking shall be as shown on the parking matrix for the district the motorized vehicles sales is
4 located in.

5 (ah) Large item retail sales: One space per 600 square feet of floor area.

6 (ai) Motorized Vehicle Wash Facilities: For properties where the primary use is
7 automatic car wash facilities, 1 space per 3 employees on the largest shift shall be required. No
8 parking shall be required for self-service or accessory automatic car wash facilities.

9 Section 2. That Figure 27.67.040 of the Lincoln Municipal Code be amended to
10 read as follows:

11 **Figure 27.67.040**

12 **Uses with Special Parking Requirements**

13 The following uses have special parking requirements that shall apply in place of the general
14 parking requirements found in Section 27.67.020:

- 15 Academies.....27.67.040(m)
- 16 Accessory buildings for retail sales27.67.040(af)
- 17 Accessory Dwelling Units27.67.040(u)
- 18 Adult day services facility 27.67.040(c)
- 19 Agricultural attractions (located in the AG zoning district) 27.67.040(z)
- 20 Amphitheaters27.67.040(i)
- 21 Auditoriums27.67.040(i)
- 22 Bowling alleys27.67.040(h)
- 23 Chapels.....27.67.040(l)

1	Community halls (located in the AG zoning district).....	27.67.040(aa)
2	Court games	27.67.040(j)
3	Data center	27.67.040(ac)
4	Domestic shelters	27.67.040(o)
5	Drive-in restaurants.....	27.67.040(g)
6	Dwellings for members of a religious order	27.67.040(q)
7	Dwellings for caretakers employed and residing on premises.....	27.67.040(u)
8	Early childhood care facilities	27.67.040(v)
9	Elderly housing	27.67.040(d)
10	Farm wineries.....	27.67.040(aa)
11	Fraternities	27.67.040(a)
12	Grandstands.....	27.67.040(i)
13	Greenhouses (located in the AG or AGR zoning districts).....	27.67.040(y)
14	Group homes	27.67.040(b)
15	Golf courses	27.67.040(j)
16	Guest parking for small lot two-family and single-family dwellings.....	27.67.040(f)
17	Healthcare residential.....	27.67.040(w)
18	Heritage centers (located in the AG zoning district)	27.67.040(z)
19	Hospitals	27.67.040(k)
20	Hotels	27.67.040(s)
21	Housing for the physically handicapped.....	27.67.040(n)
22	Market Garden	27.67.040(aa)
23	Mini-warehouses.....	27.67.040(e)

1	Motels	27.67.040(s)
2	Motorized Vehicle Sales	27.67.040(ag)
3	<u>Motorized Vehicle Wash Facilities.....</u>	<u>27.67.040(ai)</u>
4	Off-street freight loading requirements	27.67.040(ab)
5	Places of public assembly	27.67.040(i)
6	Places of religious assembly	27.67.040(l)
7	Private business or commercial schools	27.67.040(l)
8	Private schools having a curriculum equivalent to a public school	27.67.040(l)
9	Public schools	27.67.040(l)
10	Recreational uses	27.67.040(j)
11	Restaurants (also see Drive-in restaurants).....	27.67.040(t)
12	Retirement housing	27.67.040(d)
13	Retail Sales, Large Items	27.67.040(ah)
14	Salvage yards	27.67.040(p)
15	Sale of alcoholic beverages for consumption on the premises	27.67.040(x)
16	Social halls	27.67.040(t)
17	Sororities	27.67.040(a)
18	Stadia.....	27.67.040(i)
19	Swimming pools	27.67.040(j)
20	Theaters.....	27.67.040(i)
21	Warehouses	27.67.040(r)
22	Urban gardens	27.67.040(ad)

1 Section 3. That Section 27.67.040 and Figure 27.67.040 of the Lincoln Municipal
2 Code as hitherto existing be and the same are hereby repealed.

3 Section 4. This ordinance shall be published, within fifteen days after the passage
4 hereof, in one issue of a daily or weekly newspaper of general circulation in the City, or posted on
5 the official bulletin board of the City, located on the wall across from the City Clerk's office at
6 555 S. 10th Street, in lieu and in place of the foregoing newspaper publication with notice of
7 passage and such posting to be given by publication one time in the official newspaper by the City
8 Clerk. This ordinance shall take effect and be in force from and after its passage and publication
9 or after its posting and notice of such posting given by publication as herein and in the City Charter
10 provided.

Introduced by:

Approved as to Form & Legality:

City Attorney

Approved this ___ day of _____, 2019:

Mayor

LINCOLN/LANCASTER COUNTY PLANNING COMMISSION STAFF REPORT

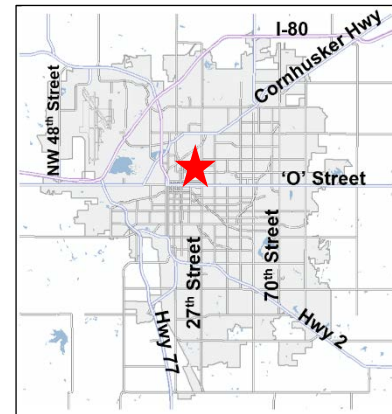
FROM THE LINCOLN/LANCASTER COUNTY PLANNING DEPARTMENT, 555 S. 10TH STREET, SUITE 213, LINCOLN, NE 68508

APPLICATION NUMBER Comprehensive Plan Conformance 19007	FINAL ACTION? No	DEVELOPER/OWNER Nebraska Innovation Campus Development Corporation
PLANNING COMMISSION HEARING DATE August 21, 2019	RELATED APPLICATIONS No	PROPERTY ADDRESS/LOCATION Generally N 21 st Street & Transformation Drive

RECOMMENDATION: IN CONFORMANCE WITH THE COMPREHENSIVE PLAN

BRIEF SUMMARY OF REQUEST

Review as to conformance with the 2040 Lincoln-Lancaster County Comprehensive Plan, a proposed amendment to the Nebraska Innovation Campus Redevelopment Plan that identifies the Office Building Project and Hotel Redevelopment Project. The Office Building Project includes a three-story, 80,000 square foot office facility, and the Hotel Project includes a six-story, 153 room hotel facility with restaurant, coffee shop, and other amenities.



JUSTIFICATION FOR RECOMMENDATION

These projects are consistent with the Comprehensive Plan and the Nebraska Innovation Campus Redevelopment Plan through development of new amenities to support continued investment in the redevelopment area.

APPLICATION/STAFF CONTACT

Wynn Hjermstad, Urban Development
(402) 441-8211
whjermstad@lincoln.ne.gov

COMPATIBILITY WITH THE COMPREHENSIVE PLAN

These projects are consistent with the goals in the Comprehensive Plan; specifically, both facilities will:

- Help attract new businesses,
- Further enhance the important resource that is the Innovation Campus,
- Promote a mix of uses within a mixed use redevelopment node, and
- Create development on an existing undeveloped commercial area in order to remove blighted conditions and more efficiently utilize existing infrastructure.

COMPREHENSIVE PLAN SPECIFICATIONS:

- p 1.9 The area is shown as Commercial on the Future Land Use map.
- p. 2.8 Mixed use redevelopment, adaptive reuse, and well-designed and appropriately-placed infill development, including residential, commercial and retail uses, are encouraged.
- p 5.2 Encourage commercial centers to encompass a broad range of land uses with the integration of compatible land use types.
- p 5.2 UNL has a strong biotechnology research program. Expansion and retention of start-ups and existing companies, particularly those that build on University research should be a focus.
- p 5.2 Food research at the University of Nebraska - Lincoln (UNL) is vital to attracting and retaining these industries in the Lincoln area. This category could include renewable energy development, such as ethanol plants, though these plants are primarily locating outside Lancaster County.
- p 5.3 Lincoln has benefitted from entrepreneurs starting new businesses which have grown rapidly, adding many jobs to the economy. More should be done to encourage entrepreneurs, to utilize technology from UNL in the marketplace, and to promote entrepreneur education at UNL, Southeast Community College and other educational institutions.
- p 5.3 Continue to support UNL's efforts to obtain grants for research and support the expansion of the mixed use concept of *Innovation Campus*. The success of the University's research and development is important to the future of the city.
- p 6.2 Mixed use redevelopment should target existing underdeveloped or redeveloping commercial and industrial areas in order to remove blighted conditions and more efficiently utilize existing infrastructure.
- p 6.4 Mixed Use Nodes can be thought of as "villages within the city" with a broad range of land use types including civic, residential, special needs housing, retail, office, and service.
- p 6.5 Nebraska Innovation Campus is identified as a "Primary Area for Mixed Use Redevelopment Nodes and Corridors"

NEBRASKA INNOVATION CAMPUS (NIC) REDEVELOPMENT PLAN SPECIFICATIONS:

- p 18 NIC will provide an interdisciplinary research and mixed use environment that will support collaboration among private sector interests, university faculty and researchers, and government research within UNL's core competency programs, particularly in the areas of food, fuel and water.
- p 18 The physical program for NIC includes a mix of land uses for work, recreation, and amenities. The program is focused on job creation through university research and private/government research partners.
- p 18 The goals for NIC are to advance research and generate economic growth for Nebraska. Emerging trends in successful research parks reveal that the university has a significant research presence and the park is integral to the host university and its mission; development is market sensitive; and the private sector plays a significant role in park development. In order to compete in the national and international marketplace of research and technology, NIC must create an environment that attracts young, creative professional, researchers, and the private sector.

ANALYSIS

1. This is an amendment to the Nebraska Innovation Campus (NIC) Redevelopment Plan that identifies the Office Building Project and Hotel Project.
2. The Office Building Project includes the redevelopment of vacant, underdeveloped land into a three story, approximately 80,000 square foot office facility.
3. The goal of the Office Building Project is to develop facilities that will attract private sector companies interested in leveraging the research capacity, faculty and student resources of the University of Nebraska-Lincoln (UNL) through public-private partnerships with UNL.
4. The Hotel Project includes the redevelopment of vacant, underdeveloped land into a six-story hotel with approximately 153 guest rooms, including a restaurant, a coffee shop, and other amenities on the ground floor. This project is a collaboration with the University of Nebraska. Approximately 2,600 square feet on the ground floor of the building will be dedicated for University of Nebraska Department of Hospitality, Tourism and Restaurant Management practical programs, including faculty offices, a student lounge and a conference room.
5. The goal of the Hotel Project is to develop amenities to support the office, research and other facilities constructed as part of the Nebraska Innovation Campus Phase 1 Project and the Nebraska Innovation Campus Phase 2 Project. The Project will present an immediate opportunity for private sector collaboration with UNL, in furtherance of the purposes set forth in the Nebraska Innovation Campus Redevelopment Plan.
6. The estimated total cost to implement the Office Building Project is approximately \$15,800,000, which includes approximately \$2,485,000 in public financing. The project costs will be finalized as construction costs are determined. Upon completion of the project, the assessed value of the property will increase by an estimated \$12,410,000 million. This will result in an estimated \$2,485,000 in Tax Increment Financing (TIF) over 15 years to help fund public improvements. Thus for every City TIF dollar invested, there will be \$4.67 of private investment.
7. The estimated total cost to implement the Hotel Project is in excess of \$31,300,000, which includes approximately \$4,973,000 in public financing. The project cost will be finalized as construction costs are determined. Upon completion of the project, the assessed value of the property will increase by an estimated \$24,835,000 million. This will result in an estimated \$4,973,000 in Tax Increment Financing (TIF) over 15 years to help fund public improvements. Thus for every City TIF dollar invested, there will be \$5.03 of private investment.
8. Public investment may assist with the costs of site acquisition, site preparation and surcharge, installation of utilities, street and sidewalk improvements, landscaping, energy efficiency improvements, façade enhancements, parking lot improvements, and other public improvements and enhancements permitted under the Community Development Law in the NIC Redevelopment Area. Details will be determined with the redevelopment agreement.
9. These projects are within the boundary of the Nebraska Innovation Campus Planned Unit Development (PUD). Office and hotel uses are allowed per the PUD notes. Once detailed site plans are prepared, additional review will be needed to determine whether any amendments are needed to the PUD.
10. Both projects are currently located on outlots. A final plat will be necessary prior to construction in order to create buildable lots.

11. These projects are consistent with the goals of the Nebraska Innovation Campus (NIC) Redevelopment Plan. Specifically they contribute to the development of a mixed use campus, and they facilitate continuing collaboration among private sector interests and university faculty and researchers. In addition, these projects will cause the removal of blight and substandard conditions on the Project site and in the NIC Redevelopment Area, and will generate economic growth in the State of Nebraska.

EXISTING ZONING: O-3 Office Park PUD

EXISTING LAND USE: Vacant

SURROUNDING LAND USE AND ZONING:

Office Building Project

North: Transformation Drive, Vacant	O-3 Office Park PUD
South: Vacant	O-3 Office Park PUD
East: Vacant	O-3 Office Park PUD
West: Office building	O-3 Office Park PUD

Hotel Project

North: Transformation Drive, Parking	O-3 Office Park PUD
South: Office building	O-3 Office Park PUD
East: Office building	O-3 Office Park PUD
West: N 21 st Street, Office building/coffee shop	O-3 Office Park PUD

APPLICATION HISTORY

November 2010	Comprehensive Plan Conformance 10006 approved to create the Nebraska Innovation Campus (NIC) Redevelopment Plan. Change of Zone 10018 approved by City Council to create the Nebraska Innovation Campus Planned Unit Development (PUD).
May 2012	Comprehensive Plan Conformance 12002 approved to create two redevelopment areas within the Nebraska Innovation Campus (NIC) Redevelopment Plan.
September 2014	Change of Zone 10018A approved by City Council to amend the Nebraska Innovation Campus PUD by updating the PUD Notes and revising the boundary of the PUD.
March 2017	Comprehensive Plan Conformance 17001 approved to add an office building project. The project is completed and located directly between the office building and hotel proposed with this current application.

APPROXIMATE LAND AREA: 2 acres

Prepared by

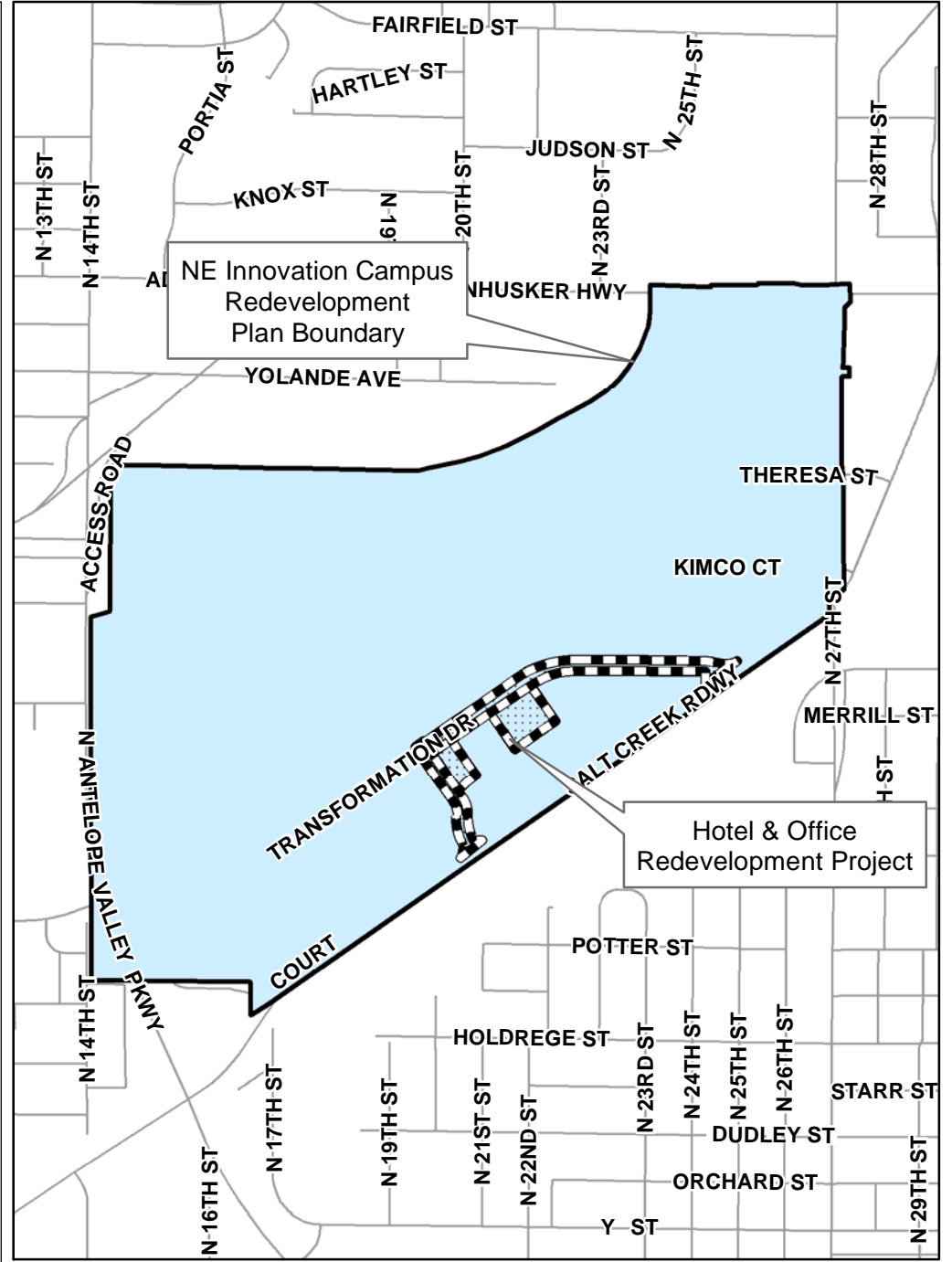
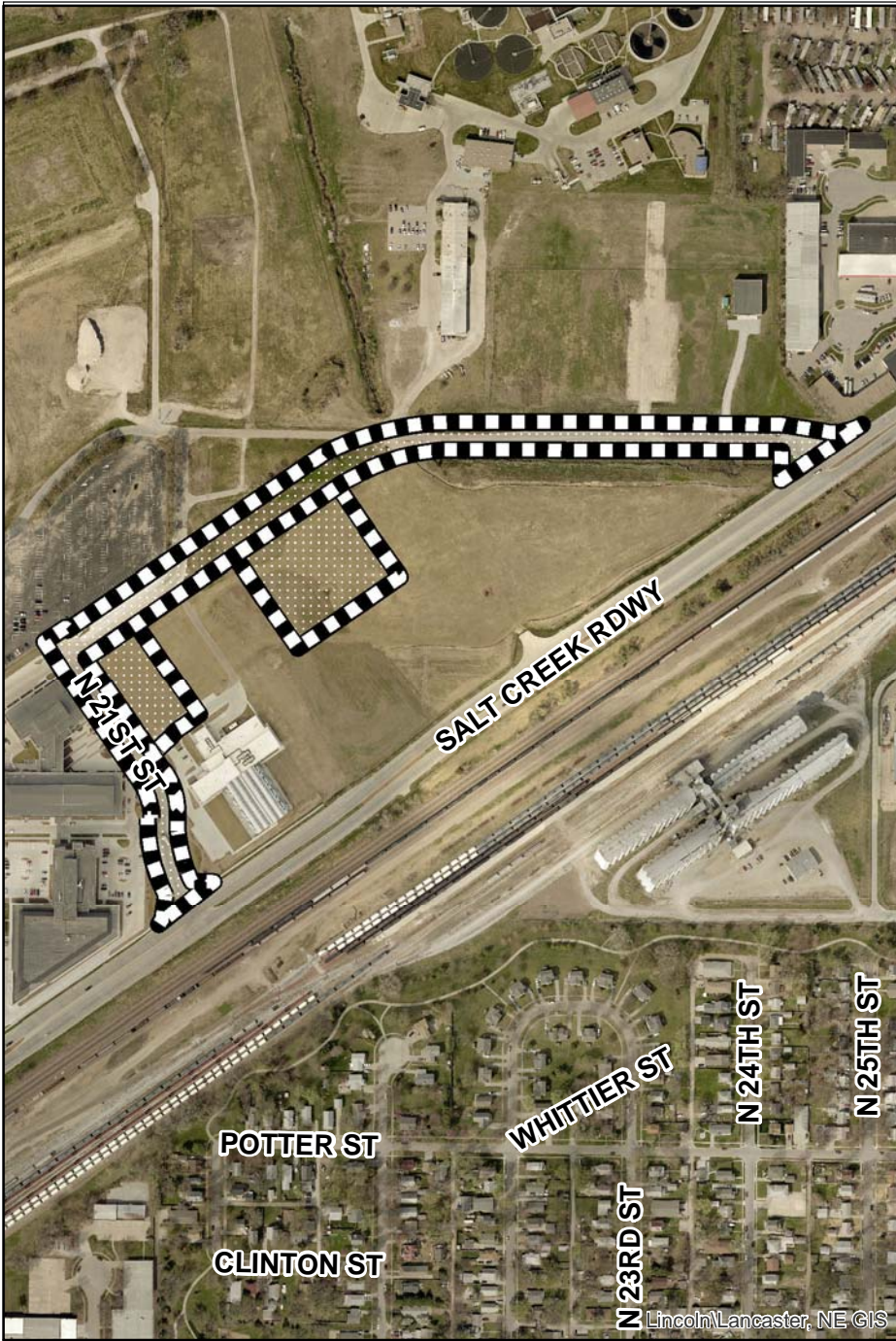
Andrew Thierolf, AICP
Planner
(402) 441-6371 or athierolf@lincoln.ne.gov

August 12, 2019

Applicant: Urban Development Department
City of Lincoln
555 S. 10th Street, Suite 205
Lincoln, NE 68508

Contact: Wynn Hjermstad
(402) 441-8211 or whjermstad@lincoln.ne.gov

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Comprehensive Plan Conformance #19007
Nebraska Innovation Campus Redevelopment Plan Amendment
Hotel & Office Redevelopment Project

2018 aerial



- **Employment within the Redevelopment Project Area:** It is not anticipated that the Project will have an adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the Project. The Project will create office space on the currently vacant Project Site, attracting employers and thus creating anticipated jobs. Public-private partnerships and the commercialization of the NIC Redevelopment Area are stated goals of the NIC Redevelopment Plan, and this Project will add opportunities for additional partnerships and continue the commercialization of the NIC Redevelopment Area.

- **Employment in the City outside the Redevelopment Project Area:** The Project includes space for the expansion of the public-private partnerships with the University of Nebraska-Lincoln, resulting in new jobs that should not adversely affect city-wide employment. However, the removal of blight and substandard conditions from the Project Site and the NIC Redevelopment Area is anticipated to attract additional employers to the NIC Redevelopment Area and the City of Lincoln as a whole. The Project should increase the need for services and products from existing businesses in and around the NIC Redevelopment Area. When secondary employment effects in other employment sectors are added, the total employment impacts are expected to be significantly higher.

- **Other Impacts:** The development of the Project Site will eliminate the existence of blight and substandard conditions, and will attract employers to the Project Site, the NIC Redevelopment Area and the City of Lincoln. The Project is consistent with the guiding principles of *LPlan 2040*, which include targeting undeveloped commercial areas for mixed-use development, and with the NIC Redevelopment Plan.

The Project should have a positive impact on private sector businesses in the NIC Redevelopment Area and in the City, and will attract additional private investment in and around the NIC Redevelopment Area. In furtherance of the goals of the NIC Redevelopment Plan, the Project will foster public-private partnerships, creating economic opportunities in, and increasing the commercialization of, the NIC Redevelopment Area. The Project is not anticipated to have a negative impact on other local area employers, but rather will increase the need for services

and products from existing businesses, such as maintenance and janitorial services, food and paper products, and hospitality services.

While the use of tax increment financing will defer receipt of a majority of the incremental ad valorem real property taxes generated by the Project for up to 15 years, there will be additional revenue generated by the Project from, for example, personal property taxes on equipment installed in the facility and lodging, food and other services purchased by the facility's visitors. Upon completion of the 15 year TIF period, the Project will benefit the community through higher property tax revenue.

Because of the long-term nature of this Plan, and the need to retain flexibility to respond to market and economic conditions as well as developer interests and opportunities from time to time, this Plan does not establish specific projects for the entire redevelopment area. Instead, this Plan presents a process and basic framework within which specific plans will be presented and by which specific projects will be evaluated as they are proposed. Sub-projects contemplated under this Plan will include, but not be limited to, construction of public utilities, streets, research buildings, and other mixed-use facilities to support and complement the NIC mission in a manner that complies with the O-3 PUD, as may be amended.

Redevelopment Activities: Residential

To be completed as projects are identified.

NEW AMMENDMENT STARTS HERE

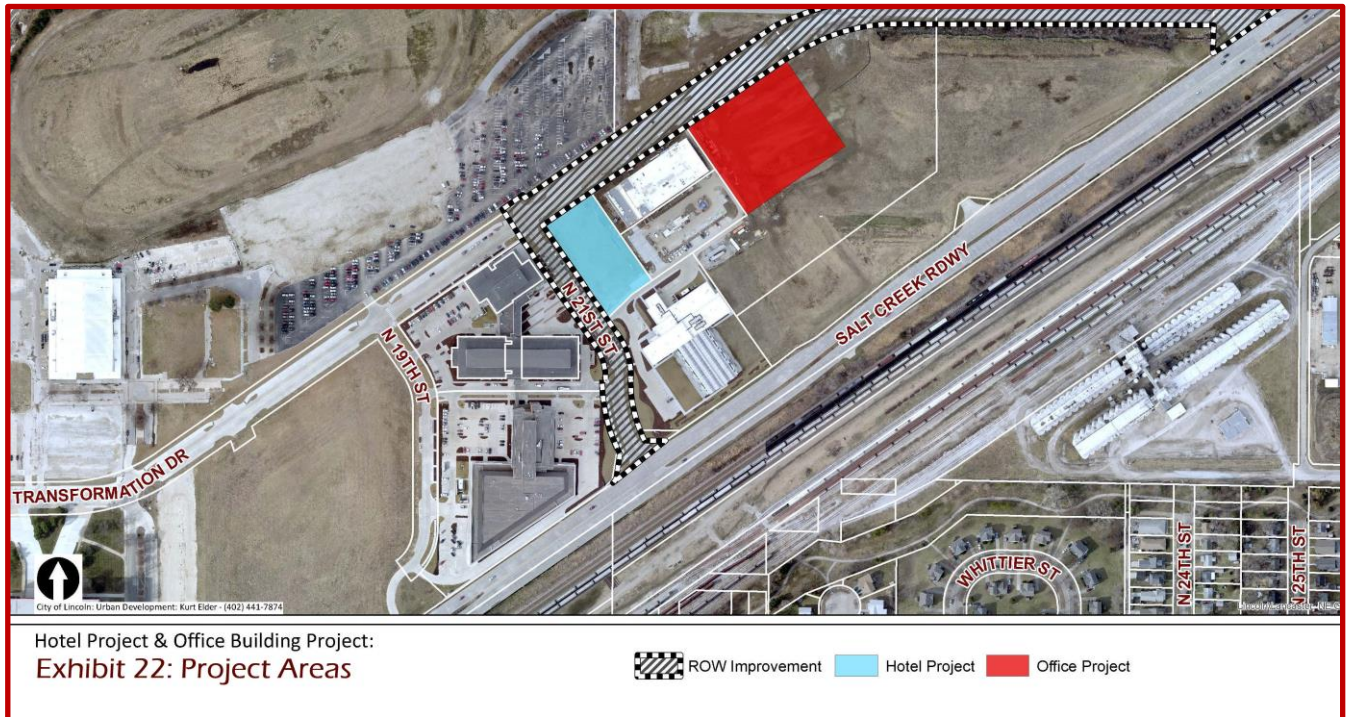


Office Building Project and Hotel Project

1. Project Descriptions

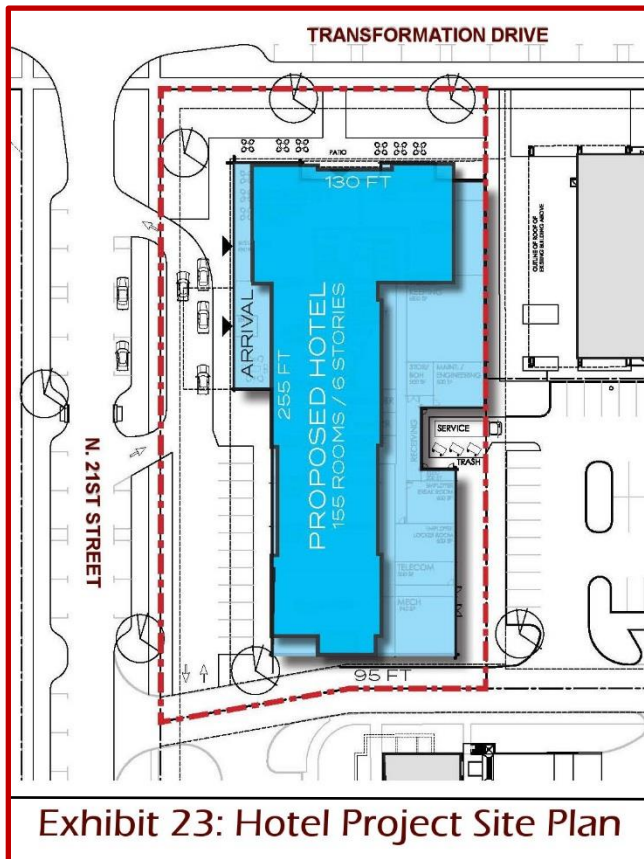
Office Building Project: The Nebraska Innovation Campus – Office Building Project includes the redevelopment of vacant, underdeveloped land located in the Nebraska Innovation Campus Redevelopment Area (the “NIC Redevelopment Area”) into a three story, approximately 80,000 square foot office facility. The proposed site is generally located on Transformation Drive immediately east of the office building constructed in connection with the Nebraska Innovation Campus Phase 2 Project. The site is legally described as Innovation Campus 2nd Addition, Outlot C and will be final platted prior to construction. The Project Area is depicted on the map, below.

The goal of the Office Building Project is to develop facilities that will attract private sector companies interested in leveraging the research capacity, faculty and student resources of the University of Nebraska-Lincoln (“UNL”) through public-private partnerships with UNL. The Project will create jobs and generate economic



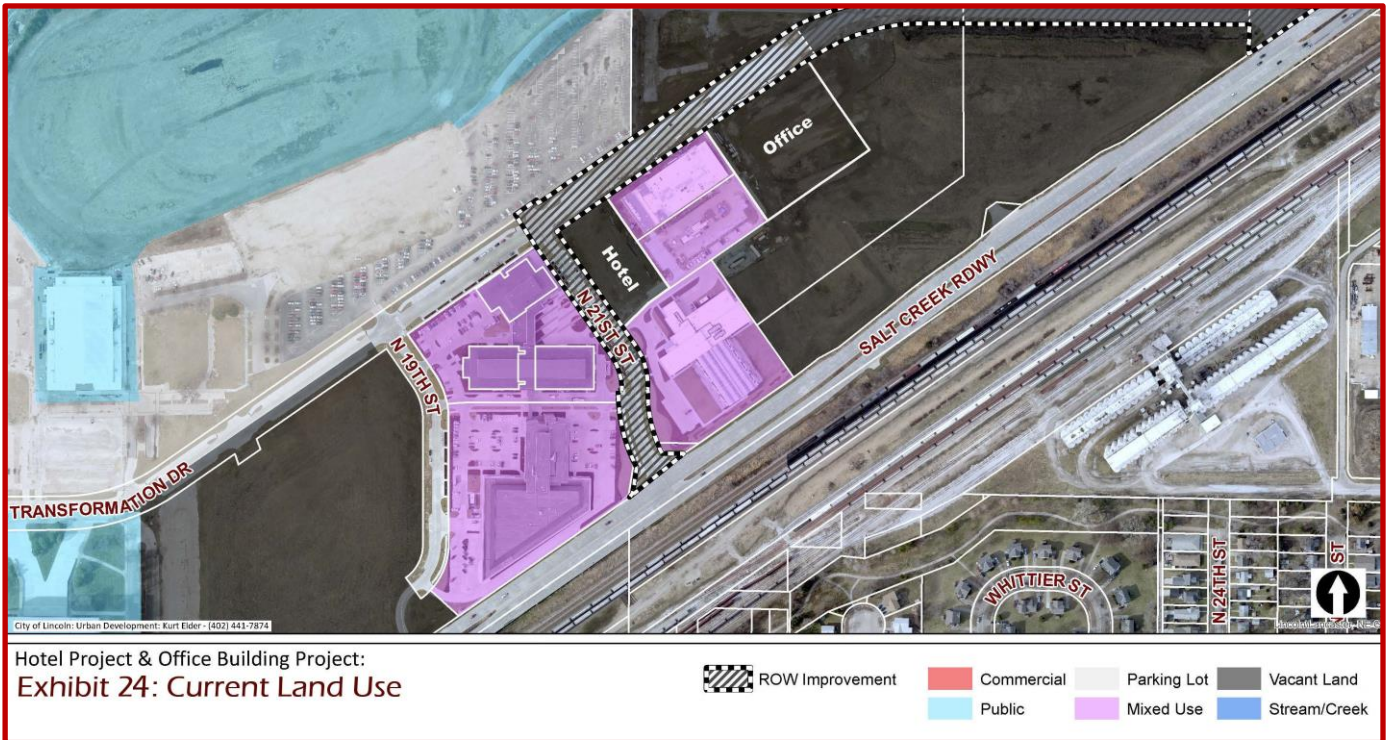
growth in the State of Nebraska in furtherance of the purposes set forth in the Nebraska Innovation Campus Redevelopment Plan.

Hotel Project: The Nebraska Innovation Campus – Hotel Project includes the redevelopment of vacant, underdeveloped land located in the NIC Redevelopment Area into a six-story hotel with approximately 153 guest rooms, including a restaurant, a coffee shop, and other amenities on the ground floor. This project is a collaboration with the University of Nebraska. Approximately 2,600 square feet on the ground floor of the building will be dedicated for University of Nebraska Department of Hospitality, Tourism and Restaurant Management practical programs, including faculty offices, a student lounge and a conference room. The proposed site is generally located at the southeast corner of the intersection of Transformation Drive and North 21st Street, and is legally described as Outlot A, Nebraska Innovation Campus 2nd Addition, an Addition to the City of Lincoln, Lancaster County, Nebraska. The Hotel Project Site Plan is depicted in Exhibit 23. The Project Site will be final platted prior to construction.



The goal of the Project is to develop amenities to support the office, research and other facilities constructed as part of the Nebraska Innovation Campus Phase 1 Project and the Nebraska Innovation Campus Phase 2 Project. The Project will present an immediate opportunity for private sector collaboration with UNL, in furtherance of the purposes set forth in the Nebraska Innovation Campus Redevelopment Plan.

For purposes of land use and zoning analysis throughout the remainder of this Amendment, the Office Building Project and Hotel Project will be collectively referred to as the “Projects” and the “Project Site”.



Project Site

The Project Site is currently vacant. Surrounding land uses include parking to the north, with office, commercial, and additional vacant land located within the vicinity of the Project Site. Innovation Commons, the Food Innovation Center, and the Greenhouse Innovation Center, all of which were constructed as part of the Nebraska Innovation Campus Phase 1 Project, are located west of the Project Site. The office and research facility constructed as part of the Nebraska Innovation Campus Phase 2 Project is located directly between the Office Building Project Site and the Hotel Project Site. See the current land use map, above.

The Project Site is currently zoned O-3 PUD Office Park District with an approved Planned Unit Development overlay. This district provides for a mixture of office and other types of compatible and complementary commercial uses, as well as residential uses. The PUD was established in order to allow mixed uses and flexibility in the regulations of the zoning district, including to reduce required parking, buildings setbacks and height restrictions. This district was approved by the Lincoln City Council in 2010 as Change of Zone #10018.

The land surrounding the Project Site is zoned O-3 PUD Office Park District as well. Nearby zoning includes the P Public Use District, the H-3 Highway Commercial District along Cornhusker Highway, and on the south side of Salt Creek Roadway, the I-1 Industrial District. Existing zoning is shown on Exhibit 4, page 7.

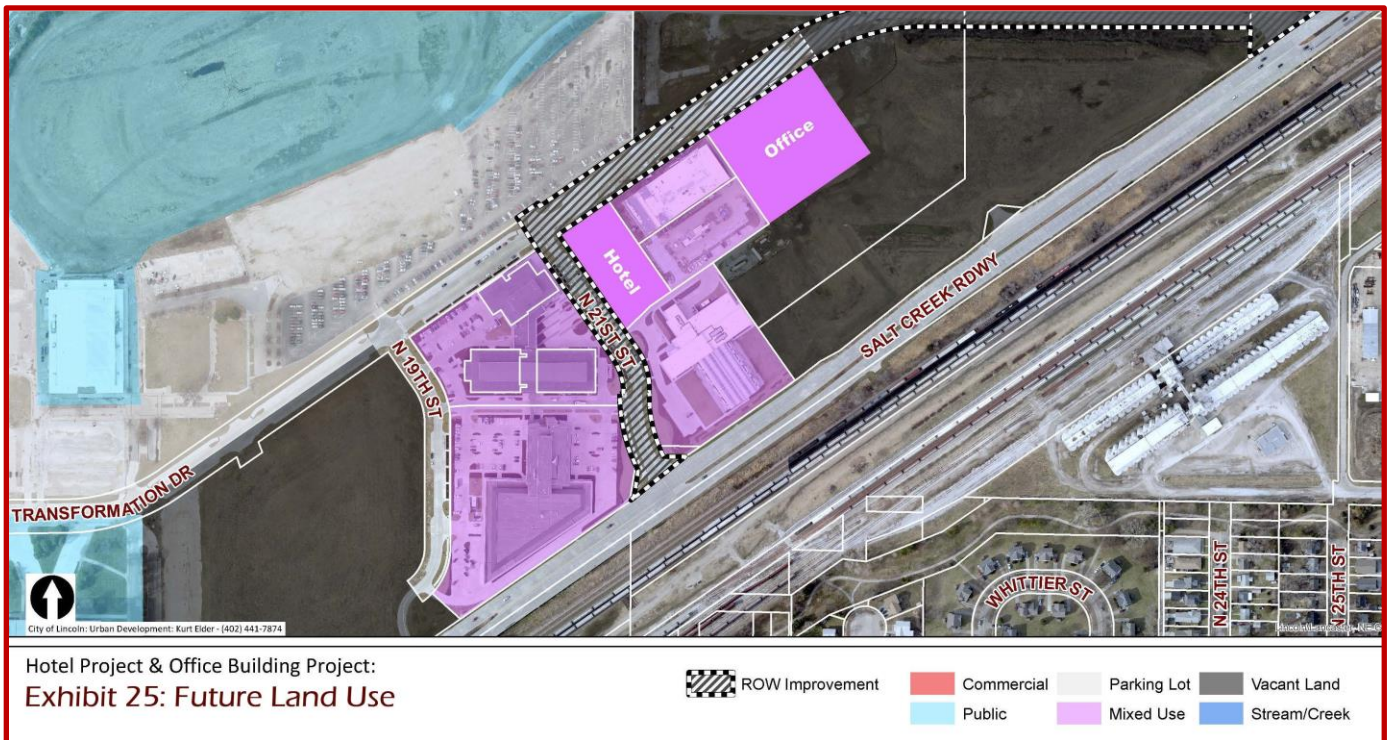
The Projects are consistent with the Nebraska

Innovation Campus Redevelopment Plan and are intended to promote the commercialization of the NIC Redevelopment Area and develop amenities supportive of existing and future private sector investment in the NIC Redevelopment Area. The Project is also consistent with the *LPlan 2040*, the Lincoln-Lancaster County 2040 Comprehensive Plan. The Guiding Principles set forth in Chapter 5 (Business and Economy) of *LPlan 2040* include attracting new business and providing incentives for mixed use development. Further, the Project Site is located within a primary area identified for mixed use redevelopment nodes and corridors, according to Map 6.1 depicted in *LPlan 2040*. The Future Land Use map is on the following page.

The Projects represent a significant private investment in the NIC Redevelopment Area. Publicly funded redevelopment activities may include: site preparation and surcharge, installation of utilities, street and sidewalk improvements, parking lot improvements, façade enhancements, energy efficiency improvements, landscaping, and other public improvements in the NIC Redevelopment Area.

2. Statutory Elements

- **Property Acquisition, Demolition, and Disposal:** The Board of Regents of the University of Nebraska is the legal title holder of the Project Site and has leased the campus to Nebraska Innovation Campus Development Corporation (“NICDC”). The Master Lease Agreement, dated September 10, 2010, allows NICDC to develop, maintain, operate, sublease and subdivide the Project Site. The proposed redeveloper



Hotel Project & Office Building Project:
Exhibit 25: Future Land Use

- will enter into a sublease with NICDC authorizing the proposed redeveloper to redevelop the Project Site. It is not anticipated that the Project will require demolition or disposal. No relocation of families or businesses will occur as a result of the Project.
- Population Density:** The Projects consist of the construction of an approximately 80,000 square foot office building and a six-story hotel with approximately 153 guest rooms, and do not include the construction of any residential units. As a result, the Projects are not expected to affect the population density in the NIC Redevelopment Area.
- Land Coverage:** Land coverage will increase as the Project Site is currently vacant. The Office Building Project will consist of construction of an approximately 80,000 square foot office building which will be approximately one acre upon subdivision. The Hotel Project will consist of construction of an approximately 108,000 square foot hotel on the approximately 1.2 acre Project Site. The Projects will comply with the applicable land-coverage ratios and zoning requirements of the City of Lincoln.
- Traffic Flow, Street Layouts, and Street Grades:** The Projects are likely to increase traffic flow due to overnight guests and employees of the Hotel Project, and tenants, employees and visitors of the Office Building Project travelling to and from the Project Site. As part of the Projects, the redeveloper anticipates street improvements to Transformation Drive, dependent on TIF funding, which will

address any traffic and street infrastructure concerns that would otherwise be created by the Projects.

- Parking:** The redeveloper will construct a surface parking lot adjacent to the new office building. Parking for the hotel will be available in the surface parking lot adjacent to the Project Site and in the lot north of Transformation Drive. The Projects will meet the parking requirements of the O-3 PUD Office Park District approved by the City of Lincoln.
- Zoning, Building Code, and Ordinances:** The Project Site is currently zoned O-3 PUD Office Park District, and the Projects are permitted uses in such a district. Both Projects will require that the Project Sites be subdivided into parcels of approximately 1.0 acres. The proposed redeveloper will meet all applicable building code requirements.

3. Proposed Cost and Financing

Office Building Project: The estimated total cost to implement the Office Building Project is approximately \$15,800,000, which includes approximately \$2,485,000 in public financing. The project costs 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 Office Building Project Site. However, funding sources and uses will be negotiated and identified in the redevelopment agreement for the Office Building Project, 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 City has analyzed the costs and benefits of the proposed Office Building Project, as follows:

- **Public Tax Revenues:**

Nebraska Innovation Campus – Office Building Project	Amount
(a) Base Value (Estimated)	\$ 150,000
(b) Estimated New Assessed Value	\$ 12,560,000
(c) Increment Value = (b) – (a)	\$ 12,410,000
(d) Annual TIF Generated (Estimated) = (c) x 2.005937%	\$ 250,000
Funds Available = (d) x 14 years @ 5%	\$ 2,485,000

Upon completion of the Project, the assessed value of the Office Building Project Site will increase by an estimated \$ 12,410,000 as a result of the private investment. This will result in an increase in estimated annual property tax collections during the 14-year TIF period of approximately \$ 250,000, which will be available to finance the costs of construction of the public improvements related to the Project. The public investment of approximately \$ 2,485,000 in TIF funds will leverage \$ 13,315,000 in private sector financing: a private investment of \$ 4.67 for every TIF dollar spent.

The Urban Development Department believes that the public improvements proposed in this plan amendment would not occur “but for” the utilization of tax increment financing in the NIC Redevelopment Area. It would not be economically feasible for the redeveloper to construct the Office Building Project improvements without tax increment financing because the existing site conditions constitute a barrier to development that cannot be adequately remedied without the use of tax increment financing.

Public investment may assist with the costs of site preparation and surcharge, installation of utilities, street and sidewalk improvements, landscaping, energy efficiency improvements, façade enhancements, parking lot improvements, and other public improvements and enhancements permitted under the Community Development Law in the NIC Redevelopment Area.

- **Public Infrastructure and Community Public Service Needs Impacts:**

It is not anticipated that the Office Building Project will have an adverse impact on existing public infrastructure. In fact, the Project involves the capture of the incremental tax revenues for installation of

utilities, street and sidewalk improvements, and other public infrastructure improvements in the NIC Redevelopment Area. Specifically, Transformation Drive is proposed to be completed to the east as part of the projects. The existing infrastructure is aging and in poor condition, so improvement and replacement is necessary for development.

It is not anticipated that the Office Building Project will have an adverse impact on City services, but instead will generate additional revenue providing support for those services.

- **Employment within the Redevelopment Project Area:**

It is not anticipated that the Office Building Project will have an adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the Project. The Office Building Project will create office space on the currently vacant site, attracting employers and creating jobs. The commercialization of the NIC Redevelopment Area is a stated goal of the NIC Redevelopment Plan, and this Project is anticipated to contribute to the continued economic growth of the NIC Redevelopment Area. When secondary employment effects in other employment sectors are added, the total employment effects are expected to be significantly higher.

- **Employment in the City outside the Redevelopment Project Area:**

The Office Building Project includes approximately 80,000 square feet of commercial space which will result in new jobs and should not adversely affect city-wide employment. Further, the removal of blight and substandard conditions from the Project Site and the NIC Redevelopment Area is anticipated to attract additional employers to the NIC Redevelopment Area and the City of Lincoln as a whole. The Office Building Project should increase the need for services and products from existing businesses in and around the NIC Redevelopment Area.

- **Other Impacts:**

The development of the Office Building Project Site will eliminate the existence of blight and substandard conditions, and will attract employers to the Project Site, the NIC Redevelopment Area and the City of Lincoln. The Office Building Project is consistent with the guiding principles of *LPlan 2040*, which include targeting undeveloped commercial areas for mixed-use development, and with the NIC Redevelopment Plan.

The Office Building Project should have a positive impact on private sector businesses in the NIC Redevelopment Area and in the City, and will attract additional private investment in and around the NIC Redevelopment Area. In furtherance of the goals of the NIC Redevelopment Plan, the Office Building Project will increase the commercialization of the NIC Redevelopment Area and

contribute to the continued economic growth of the City as a whole. The Office Building Project is not anticipated to have a negative impact on other local area employers, but rather will increase the need for services and products from existing businesses, such as maintenance and janitorial services, food and paper products, and hospitality services.

While the use of tax increment financing will defer receipt of a majority of the incremental ad valorem real property taxes generated by the Office Building Project for up to 15 years, there will be additional revenue generated by the Project from, for example, personal property taxes on equipment installed in the building and lodging, food and other services purchased by the building's visitors. Upon completion of the 15 year TIF period, the Office Building Project will benefit the community through higher property tax revenue.

Hotel Project: The estimated total cost to implement the Hotel Project is in excess of \$31,300,000, which includes approximately \$4,973,000 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 Hotel Project Site. However, funding sources and uses will be negotiated and identified in the redevelopment agreement for the Hotel Project, 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 City has analyzed the costs and benefits of the proposed Hotel Project, as follows:

- **Public Tax Revenues:**

Nebraska Innovation Campus – Hotel Project	Amount
(a) Base Value (Estimated)	\$150,000
(b) Estimated New Assessed Value	\$24,985,000
(c) Increment Value = (b) – (a)	\$24,835,000
(d) Annual TIF Generated (Estimated) = (c) x 2.005937%	\$500,000
Funds Available = (d) x 14 years @ 5%	\$4,973,000

Upon completion of the Hotel Project, the assessed value of the Project Site will increase by an estimated \$24,835,000 as a result of the private investment. This will result in an increase in estimated annual property tax collections during the 14-year TIF period of approximately \$500,000, which will be available to finance the costs of construction of the public improvements related to the Hotel Project. The public investment of approximately \$4,973,000 in TIF funds

will leverage approximately \$26,300,000 in private sector financing: a private investment of \$5.03 for every TIF dollar spent.

The Urban Development Department believes that the public improvements proposed in this plan amendment would not occur “but for” the utilization of tax increment financing in the NIC Redevelopment Area. It would not be economically feasible for the redeveloper to construct the Hotel Project improvements without tax increment financing because the existing site conditions constitute a barrier to development that cannot be adequately remedied without the use of tax increment financing.

Public investment may assist with the costs of site acquisition, installation of utilities, street and sidewalk improvements, landscaping, energy efficiency improvements, façade enhancements, parking lot improvements, and other public improvements and enhancements permitted under the Community Development Law in the NIC Redevelopment Area.

- **Public Infrastructure and Community Public Service Needs Impacts:**

It is not anticipated that the Hotel Project will have an adverse impact on existing public infrastructure. In fact, the Hotel Project involves the capture of the incremental tax revenues for installation of utilities, street and sidewalk improvements, and other public infrastructure improvements in the NIC Redevelopment Area. The existing infrastructure is aging and in poor condition, so improvement and replacement is necessary for development. Transformation Drive will be completed to its east termination as part of the Project.

It is not anticipated that the Hotel Project will have an adverse impact on City services, but instead will generate additional revenue providing support for those services.

- **Employment within the Redevelopment Project Area:**

It is not anticipated that the Hotel Project will have an adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the Hotel Project. Construction of the hotel will provide support for the University of Nebraska and for existing businesses in the NIC Redevelopment Area by creating additional accommodations for employees, students, faculty and others traveling to the University of Nebraska or to those businesses in the NIC Redevelopment Area. When secondary employment effects in other employment sectors are added, the total employment effects are expected to be significantly higher. Further, the academic programming to be conducted by the University of Nebraska will enhance the supply of employees.

- ***Employment in the City outside the Redevelopment Project Area:***

The Hotel Project is not expected to adversely affect employment in the City outside the NIC Redevelopment Area. Instead, the removal of blight and substandard conditions from the SDL VI Project Site and the NIC Redevelopment Area is anticipated to drive further commercialization of the NIC Redevelopment Area and economic growth of the City as a whole. The Hotel Project should increase the need for services and products from existing businesses in and around the NIC Redevelopment Area.

- ***Other Impacts:***

The development of the Hotel Project Site will eliminate the existence of blight and substandard conditions, and will attract visitors to the Project Site, the NIC Redevelopment Area and the City of Lincoln. The Hotel Project is consistent with the guiding principles of *LPlan 2040* and with the NIC Redevelopment Plan.

The Hotel Project should have a positive impact on private sector businesses in the NIC Redevelopment Area and in the City, and will attract additional private investment in and around the NIC Redevelopment Area. In furtherance of the goals of the NIC Redevelopment Plan, the Hotel Project will present opportunities for public-private partnerships, and will provide amenities supportive of nearby office and research facilities.

While the use of tax increment financing will defer receipt of a majority of the incremental ad valorem real property taxes generated by the Hotel Project for up to 15 years, there will be additional revenue generated by the Hotel Project from, for example, sales taxes generated by guests of the hotel who are likely to purchase products and services during their stay in the City of Lincoln. Upon completion of the 15-year TIF period, the Hotel Project will benefit the community through higher property tax revenue.



Urban Development Department
555 South 10th Street Suite 205 Lincoln NE 68508
402-441-7606 lincoln.ne.gov

July 23, 2019

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

Dear David:

Enclosed is an amendment to the *Nebraska Innovation Campus (NIC) Redevelopment Plan*. The amendment identifies two redevelopment projects: a three story, approximately 80,000 square foot office building project and a six-story hotel project with approximately 153 guest rooms. In collaboration with UNL, approximately 2,600 square feet in the hotel will be dedicated to the UNL Department of Hospitality, Tourism and Restaurant Management programs including faculty offices, a student lounge and conference room. These projects are generally located to the east of the southeast corner of the Transformation Drive and 21st Street intersection. After replatting, the two sites will be approximately 2.2 acres.

Please forward the plan amendment to the Planning Commission for their earliest consideration for Comprehensive Plan conformance. My understanding is that the plan amendment should be on the August 21, 2019 agenda.

If you have questions or need additional information, please contact me at 402-441-8211 or whjermstad@lincoln.ne.gov. Thank you.

Sincerely,

A handwritten signature in black ink that reads "Wynn S. Hjermstad".

Wynn S. Hjermstad, AICP
Community Development Manager

Cc: Dan Marvin, Director, Urban Development Department

enc.