



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 25004
*Second Amendment to South Folsom
Redevelopment Plan*

FINAL ACTION?
No

PLANNING COMMISSION HEARING DATE
May 28, 2025

RELATED APPLICATIONS
None

PROPERTY LOCATION
S Folsom & W Pioneers

RECOMMENDATION: IN CONFORMANCE WITH THE COMPREHENSIVE PLAN

BRIEF SUMMARY OF REQUEST

Review as to conformance with the 2050 Lincoln-Lancaster County Comprehensive Plan, a proposed amendment to South Folsom Redevelopment Plan to update and modify the development phases of the plan. Redevelopment activities in the Plan are focused on developing the site with affordable housing options along with some commercial space. The Redevelopment Plan is associated with the Foxtail Meadows Planned Unit Development (PUD) that was approved in 2022.

The Redevelopment Plan is on file with the Urban Development Department and the Planning Department. The project documents can also be found online on the Planning Application Tracking System (PATS): [CPC25004](#).



JUSTIFICATION FOR RECOMMENDATION

The Redevelopment Plan will increase the supply of affordable housing in the community, which is consistent with the Comprehensive Plan and Affordable Housing Coordinated Action Plan. The project includes a proposed 650 housing units, of which 647 units are targeted for households making less than the area median income (AMI).

APPLICATION/STAFF CONTACT

Ernie Castillo, Urban Development
Department
(402) 441-7855 or
ecastillo@lincoln.ne.gov

COMPATIBILITY WITH THE COMPREHENSIVE PLAN

Affordable housing is supported throughout the Comprehensive Plan and the area is shown as Urban Residential on the Future Land Use map.

COMPREHENSIVE PLAN SPECIFICATIONS:

Introduction Section: Growth Framework

[Figure GF.b: 2050](#) - This site is shown as future Urban Residential on the 2050 Future Land Use Plan.

The Community in 2050

The following assumptions provide the framework for growth in the 2050 plan.

Lancaster County is projected to add approximately 53,000 households by 2050, with 48,000 of those new households in Lincoln (roughly 1,600 new households per year).

New growth areas will have an average gross residential density of 4.0 du/acre.

The population age 65 and above is projected to increase from 45,600 (14.2 percent of total) in 2020 to 74,900 (17 percent of total) in 2050.

Goals Section

G1: Safe, Affordable, and Accessible Housing. Lincoln and Lancaster County will support the development of safe, affordable, and accessible quality housing that meets the diverse needs of the community. PlanForward understands the ongoing need for affordable housing and supports development of 5,000 affordable units by the year 2030.

G2: Complete Neighborhoods. Lincoln and Lancaster County will support complete neighborhoods within both developing and redeveloping areas of Lincoln. A complete neighborhood is one where residents are able to get the goods and services to meet daily needs within 15 minutes of their residence including a variety of housing options, grocery stores and other commercial services, quality public schools, public open spaces and recreational facilities, affordable active transportation options, and civic amenities. Housing variety should include townhomes, senior living facilities, low/no maintenance condominiums, accessory dwelling units, multi-family development, and even small lot single-family.

G3: High-Quality Workforce. Lincoln and Lancaster County will strive to remove barriers to economic stability and mobility in the community by supporting a skilled and educated workforce that is able to adapt to economic, technological, and cultural changes. A high-quality workforce benefits the entire community because it attracts quality employers and entrepreneurs, which helps to grow our population and tax base and facilitates quality of life investments across a variety of sectors, and it ensures that Lincoln and Lancaster County are well-positioned to compete in tomorrow's economy.

G4: Economic Opportunity. Lincoln and Lancaster County will have high-quality jobs in an economic environment that supports business creation, innovation, and expansion. Quality-of-life attributes, such as diverse and accessible housing, good shopping, restaurants and entertainment, quality schools and healthcare, a sense of safety, and amenities such as parks and trails are important to ensuring that skilled individuals want to remain or relocate to our community.

Policies Section

P1: Housing Affordability - Make available a safe residential dwelling for all residents.

Action Steps

1. Implement the housing and neighborhood strategies as embodied in the Affordable Housing Coordinated Action Plan, City of Lincoln Consolidated and Annual Action Plans and subsequent housing and neighborhood plans. These plans provide the core for affordable housing and neighborhood preservation actions for public and private agencies.
6. Preserve the existing affordable housing stock, increase the supply of affordable owner and renter units, and add more variety in housing types.

P3: Developing Neighborhoods - Accommodate and encourage growth that aligns with PlanForward's growth scenario and provides a mix of housing options with convenient access to parks, schools, shopping, jobs, and other community resources.

Action Steps

1. Provide for an adequate supply of land and timely infrastructure improvements that meet the demands of growth.
2. Structure incentives to encourage higher densities to make greater use of the community's infrastructure.
3. Encourage new development to achieve densities greater than five dwelling units per gross acre by zoning at least 20% of residentially zoned land in developing areas to allow greater than five dwelling units per acre by right.
5. Implement elements of Complete Neighborhoods for Developing Areas.
7. Encourage public and private investment in neighborhood infrastructure and services to support economic diversity that improves the quality of life for all residents.
8. Include housing for a variety of incomes and households throughout the community that is integrated into neighborhoods and provides appropriate transitions, scale, and context.
9. Promote mixed-income neighborhoods.
10. Preserve areas designated for multi-family, and group living housing in approved plans to support a distributed choice in affordable housing.
11. Support addition of higher density development in existing multi-family development.
16. Encourage a variety of housing types including townhomes, senior living facilities, low/no maintenance condominiums, accessory dwelling units, multi-family development, and small lot single-family units.

AFFORDABLE HOUSING COORDINATED ACTION PLAN SPECIFICATIONS:

- p. 8 Over the next decade, Lincoln will need an additional 17,000 units to support projected population growth.
- p. 9 Of the 17,000 additional units, 5,000 of those units will need to rent below \$1,000 a month and almost 4,000 ownership options will need to be priced below \$200,000.
- p. 64 Land costs and changes in the tax law, along with the ability to quickly and easily make profits on market-rate products, has made the participation in Low Income Housing Tax Credit (LIHTC) projects less appealing. Lincoln will need to find ways to increase the appeal of these types of projects, which are an essential source of housing for those making less than 80% AMI.

ANALYSIS

1. This is this second amendment to the South Folsom Redevelopment Plan. The Redevelopment Plan was originally approved in 2022 with [CPC22012](#) and amended with [CPC22021](#). The overall Project is being developed as part of the Foxtail Meadows PUD and includes approximately 650 housing units and 15,000 square feet of commercial space. The Redevelopment Plan currently includes four sub-phases: 1A - 1D. This proposed amendment modifies sub-phases 1C and 1D, and adds new Phases 2 and 3. This staff report will focus on the newly-proposed changes.
2. Sub-Phase 1C (pages 1-2 of the Redevelopment Plan amendment). This phase is being restructured to include 30 small lot single family detached units for ownership (up from 21 in the existing approved plan). The 30 units include 27 affordable homes and 3 market rate homes. The affordable units will be developed for sale at prices affordable to families at 60% and 80% Area Median Income (AMI). The increase in number of units also increases the amount of Tax Increment Financing (TIF) that will be generated by development of Sub-Phase 1C. Expected TIF generation for Sub-Phase 1C is approximately \$1.8 million. The lots associated with this phase have been platted and are ready for development.

3. Sub-Phase 1D (pages 3-4). This phase is being rearranged with some of the development being moved to Phase 2. The phase will include a lower target Area Median Income (AMI) in order to increase affordability. Housing units in this phase will be targeted for affordability at 80% and 90% AMI instead of 120% as shown in the existing approved plan. The phase will include 42 rental units that are a mix of single family attached and detached. Expected TIF generation for Sub-Phase 1D is approximately \$1.5 million. Development is expected to begin Summer 2025.
4. Phase 2 (pages 4-6). This future phase is proposed to include 240 multi-family rental units targeted for affordability at 80% and 90% AMI. Expected TIF generation for Phase 2 is approximately \$1.5 million.
5. Phase 3 (pages 6-8). This future phase includes approximately 15,000 square feet of commercial space and 172 multi-family rental units targeted for affordability at 60%, 80%, and 90% AMI. Details of the commercial usage and layout will be determined at a future date. Expected TIF generation for Phase 3 is approximately \$5 million.
6. Affordability for all phases of the Redevelopment Plan, including phases not impacted by this amendment, are summarized in the table below and further discussed on page 9 of the Redevelopment Plan amendment.

Phase	Units	Affordability Criteria			
		60% AMI ¹	80% AMI	90% AMI	Market Sales
1A	131	131	0	0	0
1B	35	35	0	0	0
1C	30	27	0	0	3
1D	42	0	22	20	0
2 & 3	412	132	141	139	0
Total	650	325	163	159	3
Percentage	100%	50.00%	25.08%	24.46%	0.46%

¹ Or 80% AMI for sales.

7. The modifications and additional phases set forth in this amendment have a particularly positive effect on increasing the availability of affordable housing units and achieving the City's affordable housing goals. Specifically, this second amendment will enable the following results:
 - a. 14 homes for sale targeted for affordability to buyers at 80% AMI and 13 homes for sale targeted for affordability to buyers at 60% AMI, for a total of 27 affordable units for sale instead of only 14 homes for sale targeted to 80% AMI in the previously designed Sub-Phase 1C.
 - b. 22 rental units targeted to be affordable to renters at 80% AMI and 20 rental units targeted to be affordable to renters at 90% AMI in Sub-Phase 1D, instead of 53 units targeted to be affordable to renters at 120% AMI as previously intended for this portion of the project area.
 - c. Up to an additional 412 affordable rental units in Phases 2 and 3. Out of these 412 units in Phases 2 and 3, at least 132 units will be targeted for affordability to renters at 60% AMI, at least 141 units will be targeted for affordability to renters at 80% AMI, and the remainder of the units will be targeted for affordability to renters at 90% AMI.
8. TIF will be used for public improvements related to the redevelopment. Uses will be negotiated and identified in the redevelopment agreement for each phase, subject to approval by the Mayor and the City Council.
9. The Redevelopment Plan revisions are scheduled for Urban Design Committee review on June 3.

EXISTING ZONING: R-4 (Foxtail Meadows PUD)

EXISTING LAND USES: Developing Neighborhood

SURROUNDING LAND USE AND ZONING:

North:	Residential	R-3 Residential
South:	Agriculture	AG Agriculture
East:	Highway 77	AG
West:	Agriculture	AG

APPROXIMATE LAND AREA: 41 acres

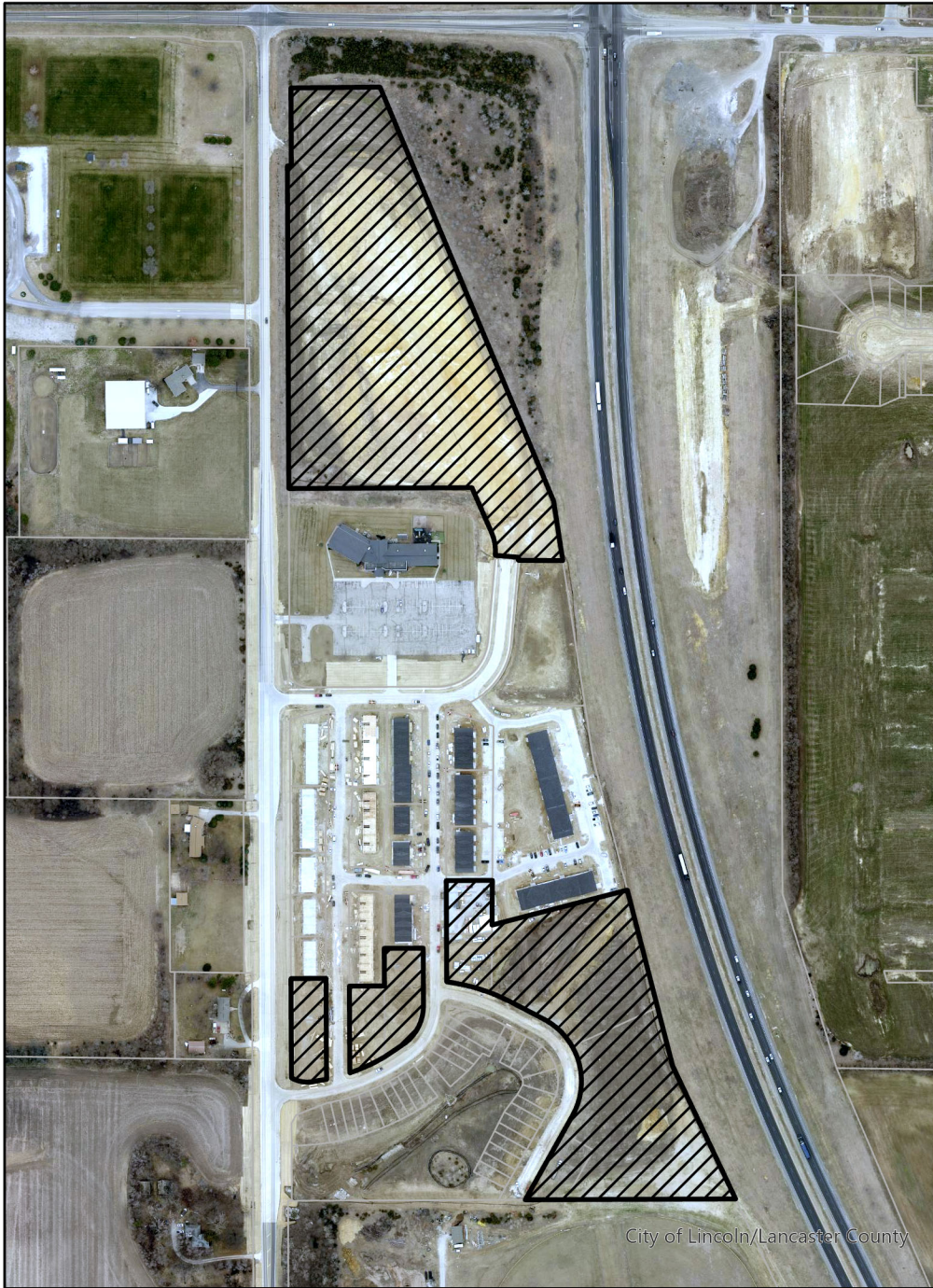
Prepared by Andrew Thierolf, AICP
(402) 441-6371 or athierolf@lincoln.ne.gov

May 20, 2025

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

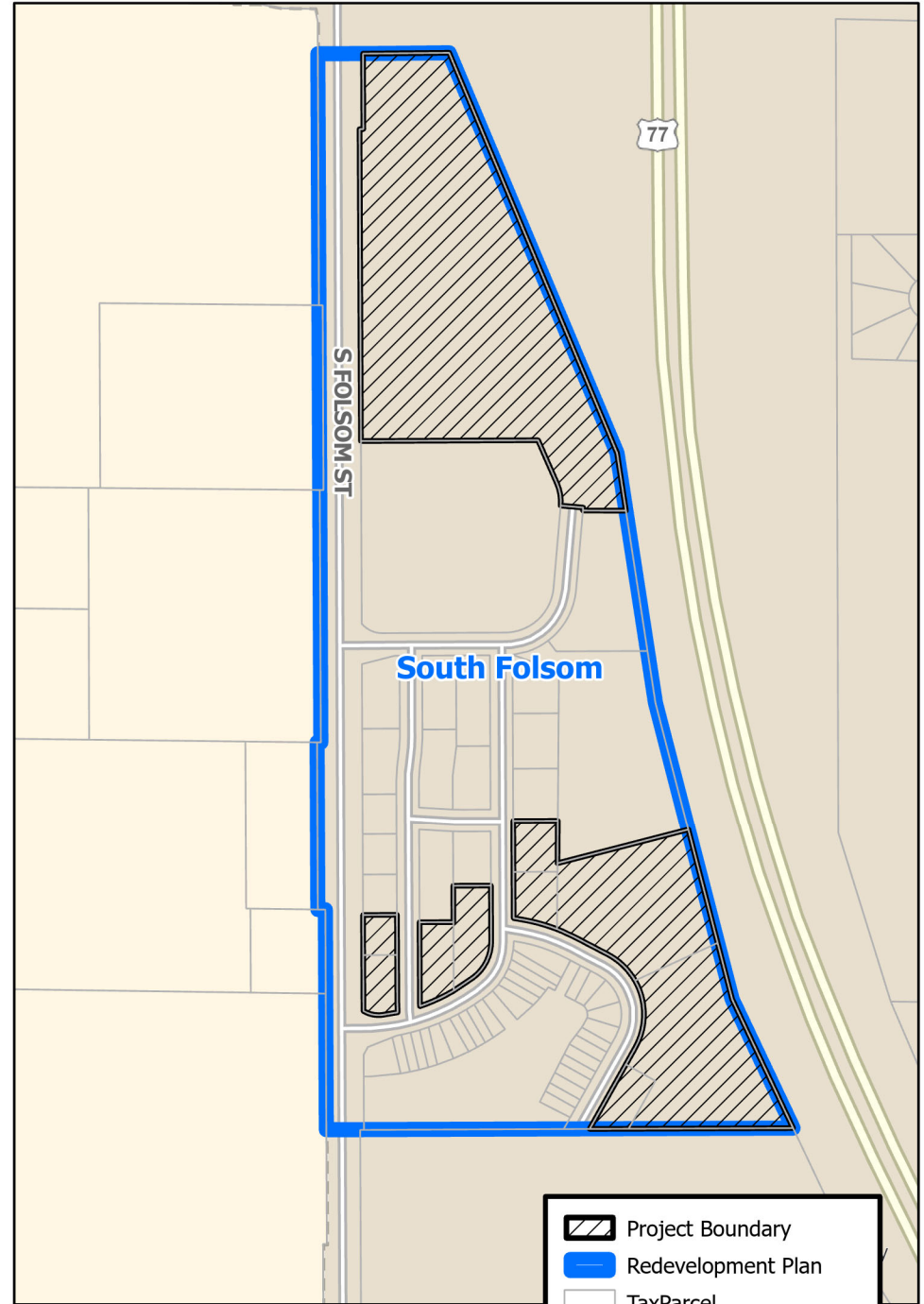
Contact: Ernie Castillo, Urban Development Department
(402) 441-7855 or ecastillo@lincoln.ne.gov

<https://linclanc.sharepoint.com/sites/PlanningDept-DevReview/Shared Documents/DevReview/CPC/25000/CPC25004> Amendment to South Folsom Redevelopment Plan.adt.docx



2024 aerial

City of Lincoln/Lancaster County



	Project Boundary
	Redevelopment Plan
	TaxParcel

Comprehensive Plan Conformance #: CPC25004 **South Folsom Redevelopment Plan Amendment**



SECOND AMENDMENT TO SOUTH FOLSOM REDEVELOPMENT PLAN

A. INTRODUCTION.

This Second Amendment to South Folsom Redevelopment Plan ("Second Amendment") is presented to update and modify the South Folsom Redevelopment Plan approved by the City Council of the City of Lincoln, Nebraska on August 8, 2022 via Resolution No. A-93473, as subsequently amended by the First Amendment to the South Folsom Redevelopment Plan approved by the City Council on December 19, 2022 via Resolution No. A-93739 (collectively, the "Redevelopment Plan"). The Redevelopment Plan includes the plan for the Foxtail Meadows Redevelopment Projects (the "Project") within the Redevelopment Area located on the east side of South Folsom Street, south of West Pioneers Boulevard in Lincoln, Nebraska. The Redevelopment Area contains approximately 41 acres comprised of Lots 48 and 65, Irregular Tracts, in the east half of Section 10, Township 9 North, Range 6 East of the 6th P.M., Lancaster County, Nebraska. The Redevelopment Plan states that the Project shall be undertaken in phases; the Plan identified Phase 1 (consisting of Sub-Phases 1A, 1B, 1C, and 1D). The Redevelopment Plan contemplated that additional phases for the remainder of the Foxtail Meadows Redevelopment Area would be subsequently added to the Redevelopment Plan.

Sub-Phases 1A through 1C are currently underway. This Second Amendment specifically (1) updates and modifies Sub-Phase 1C and Sub-Phase 1D of the Project and (2) adds Phase 2 and Phase 3 of the Project to the Redevelopment Plan. All aspects of the Redevelopment Plan that are not specifically amended herein shall remain in effect as previously approved.

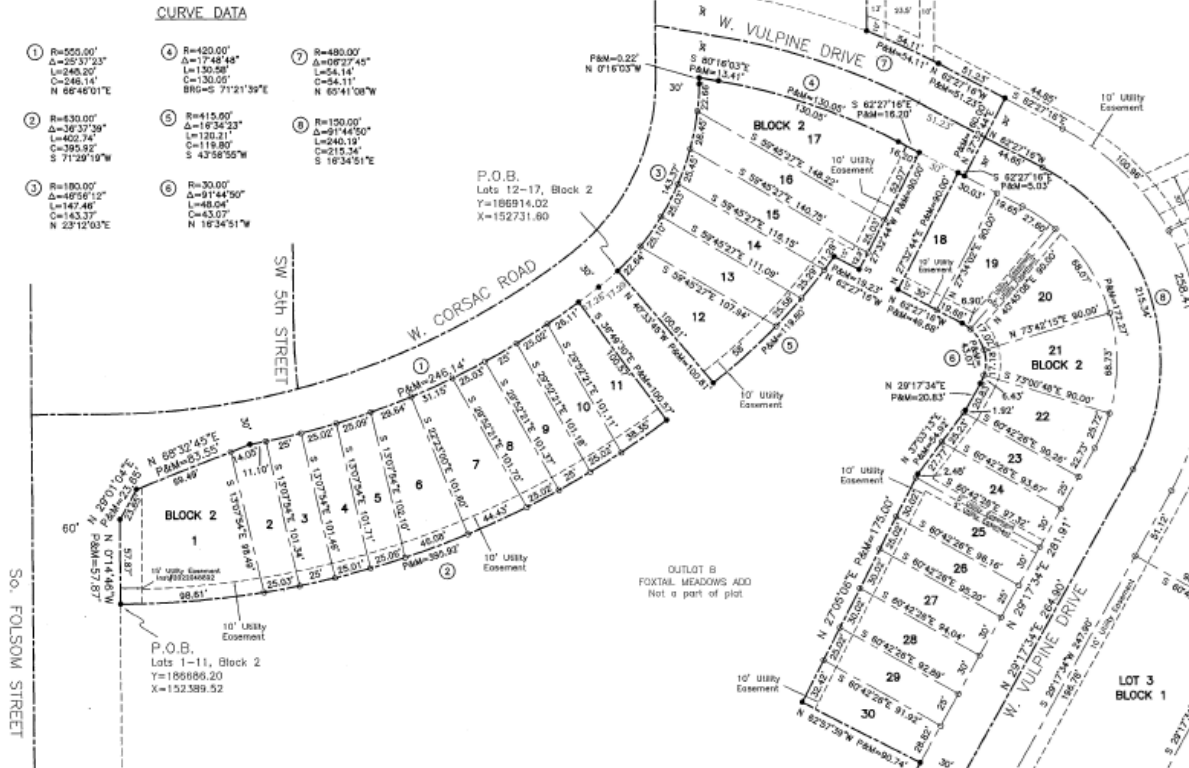
B. SUB-PHASE 1C.

Sub-Phase 1C was initially projected to include up to twenty-one (21) workforce housing units for homeownership, including approximately 14 of the units targeted to be affordable to households earning no more than 80% of Area Median Income of the City of Lincoln ("AMI"). The Sub-Phase 1C area has been replatted to allow more units, and the Sub-Phase is being implemented to include a higher number of units restricted for affordability.

Sub-Phase 1C is being restructured to consist of up to thirty (30) small lot single family dwelling units. Fourteen (14) of the units are intended to be developed for sale at prices affordable to families at 80% AMI. Thirteen (13) of the units are targeted to be developed for sale at prices affordable to families at 60% AMI. Three (3) of the units are intended to be developed for sale with no affordability targeting.

Sub-Phase 1C shall consist of Lots 1-30, Block 2, Foxtail Meadows 1st Addition, Lincoln, Lancaster County, Nebraska, as set forth on the Final Plat recorded with the Lancaster County Register of Deeds on November 28, 2023 as Instrument # 2023035245 and shown below:

FOXTAIL MEADOWS 1st ADDITION
FINAL PLAT
 (THIS PLAT BASED UPON FOXTAIL MEADOWS CHANGE
 OF ZONE #21055)



The increase in the number of residential dwelling units for Sub-Phase 1C will increase the amount of tax increment financing that will be generated by Sub-Phase 1C. The amount of tax increment financing authorized for Sub-Phase 1C shall be increased to the sum of One Million Seven Hundred Sixty-Six Thousand Eighty and No/100 Dollars (\$1,766,080.00). This TIF amount is based on the current lot valuations for the base value and an assumed valuation of \$325,000 per unit once construction is complete. The projected TIF calculation for the restructured Sub-Phase 1C is as follows:

Sub-Phase 1C		Amount
(a)	Base Value:	\$739,600
(b)	Estimated New Assessed Value:	\$9,750,000
(c)	Incremental Value:	\$9,010,400
(d)	Annual TIF Generated (Estimated):	\$180,208
Total TIF Available = Present Value at 6% interest:		\$1,766,080

Development of Sub-Phase 1C is currently underway and will be implemented over several years.

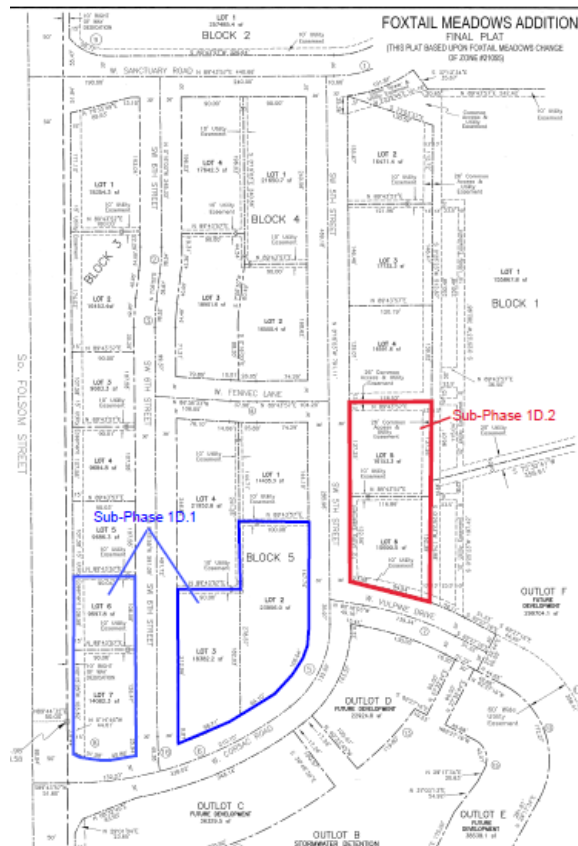
C. SUB-PHASE 1D.

Sub-Phase 1D was initially projected to include up to fifty-three (53) rental housing units targeted to be affordable to tenants earning no more than 120% AMI. Due to the timing of development and the identified need for an increased number of affordable housing units, the area described in the Redevelopment Plan for Sub-Phase 1D is being reconfigured, with some of the lots becoming part of Phase 2 (described below). Additionally, the Sub-Phase 1D project is being implemented to include a lower target AMI for affordability purposes (units targeted at 80% and 90% AMI instead of 120% AMI), to better serve the need for affordable housing in the City.

The Sub-Phase 1D project area shall consist of the following property:

- **Sub-Phase 1D.1:** Lots 2 and 3, Block 5, Lots 6 and 7, Block 3, Foxtail Meadows Addition, Lincoln, Lancaster County, Nebraska.
- **Sub-Phase 1D.2:** Lots 5 and 6, Block 1, Foxtail Meadows Addition, Lincoln, Lancaster County, Nebraska.

The lots in the Sub-Phase 1D project area are depicted below:



Sub-Phase 1D shall consist of a total of approximately forty-two (42) single family attached and detached dwelling units, which will be constructed in two separate phases. Sub-Phase 1D.1 shall consist of twenty-six (26) 3- and 4-bedroom attached units. Construction of Sub-Phase 1D.1

is anticipated to commence in the Summer of 2025. Sub-Phase 1D.2 shall consist of sixteen (16) 2-bedroom units. Anticipated construction commencement of Sub-Phase 1D.2 is still to be determined. All of the Sub-Phase 1D units are targeted to be rented at rent levels affordable to tenants at 80% to 90% AMI, instead of 120% AMI as initially set forth in the Redevelopment Plan.

The amount of tax increment financing authorized for Sub-Phase 1D shall be decreased to the sum of One Million Five Hundred Thirty-Five Thousand Three Hundred Sixty and No/100 Dollars (\$1,535,360.00). This TIF amount is based on the current lot valuations for the base value and an assumed valuation of \$190,000 per unit once construction is complete. The projected TIF calculation for Sub-Phase 1D is as follows:

Sub-Phase 1D.1		Amount
(a)	Base Value:	\$99,000
(b)	Estimated New Assessed Value:	\$4,940,000
(c)	Incremental Value:	\$4,841,000
(d)	Annual TIF Generated (Estimated):	\$96,820
Total TIF Available = Present Value at 6% interest:		\$948,860

Sub-Phase 1D.2		Amount
(a)	Base Value:	\$47,700
(b)	Estimated New Assessed Value:	\$3,040,000
(c)	Incremental Value:	\$2,992,300
(d)	Annual TIF Generated (Estimated):	\$59,846
Total TIF Available = Present Value at 6% interest:		\$586,500

D. PHASE 2.

Sub-Phase 2 consists of a portion of the lots previously identified as part of Sub-Phase 1D and additional property identified as part of the Redevelopment Area in the Redevelopment Plan. The redeveloper intends to develop the Phase 2 lots into higher density affordable multi-family units. Each lot in the Phase 2 project area shall be developed into approximately one hundred twenty (120) multi-family units that will be rented at rates affordable to tenants at 80% and 90% AMI.¹ The Phase 2 project area shall consist of the following property:

¹ As discussed in Section F, below, a portion of the units in Phases 2 and 3 will be rented at rent levels affordable to tenants at 60% AMI, a portion of the units in Phases 2 and 3 will be rented at rent levels affordable to tenants at 80% AMI, and a portion of the units in Phases 2 and 3 will be rented at rent levels affordable to tenants at 90% AMI. The exact allocation of units in any phase or subphase is still to be determined, but all of the units in phases 2 and 3 will be targeted for affordability at levels below the Area Median Income, and overall, (1) the number of units targeted to be affordable at 60% AMI will equal at least 50% of the overall units in the Foxtail development, (2) the number of units targeted to be affordable at 80% AMI will equal 25% of the overall units in the Foxtail development, and (3) the number of units targeted to be affordable at 90% AMI will equal 25% of the overall units in the Foxtail development. For the purposes of the TIF projections in this document, it is assumed that all of the Phase 2 units will be targeted for affordability at 80% and 90% AMI and the 60% AMI units will be developed as part of Phase 3.

(a)	Base Value:	\$400,000
(b)	Estimated New Assessed Value:	\$22,800,000
(c)	Incremental Value:	\$22,400,000
(d)	Annual TIF Generated (Estimated):	\$448,000
Total TIF Available = Present Value at 6% interest:		\$4,390,500

Sub-Phase 2B		Amount
(a)	Base Value:	\$400,000
(b)	Estimated New Assessed Value:	\$22,800,000
(c)	Incremental Value:	\$22,400,000
(d)	Annual TIF Generated (Estimated):	\$448,000
Total TIF Available = Present Value at 6% interest:		\$4,390,500

Phase 2 shall be constructed in two Sub-phases, with Sub-Phase 2A occurring first, followed by Sub-Phase 2B. The exact timing of the construction of each sub-phase is still to be determined.

E. PHASE 3.

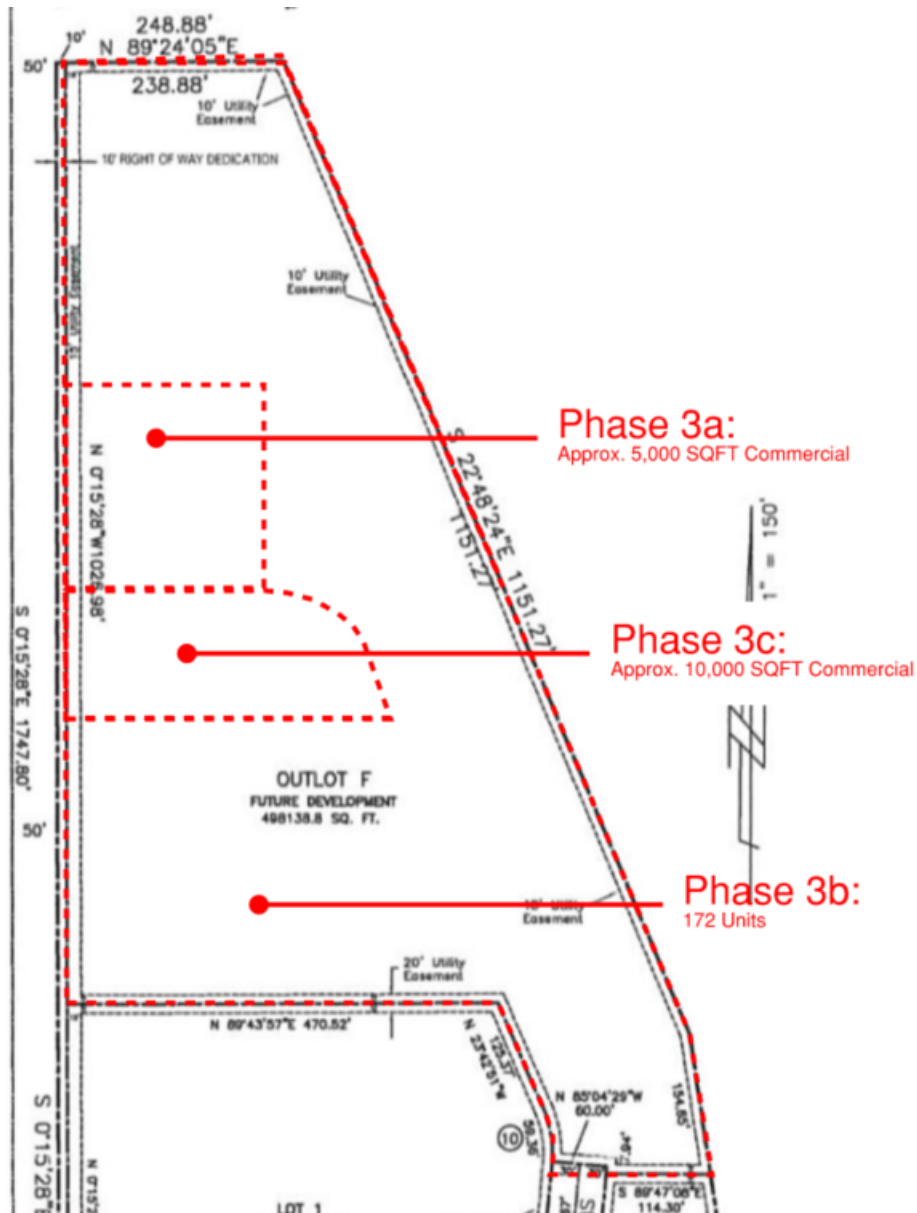
Phase 3 of the Project shall consist of the redevelopment of the following portion of the Redevelopment Area:

- Outlot G, Foxtail Meadows Addition, Lincoln, Lancaster County, Nebraska.

The Phase 3 project area is the northern portion of the Redevelopment Area, which was included in the plan, but no specific uses were previously identified. Phase 3 shall consist of three (3) sub-phases summarized as follows:

1. Sub-Phase 3A. Construction of approximately 5,000 square feet of commercial use. The specific commercial use is still to be determined but will be a use that is permitted in the applicable zoning district and consistent with the Redevelopment Plan goal of a central commercial area integrated into the Project area.
2. Sub-Phase 3B. Construction of approximately 172 multi-family units. 134 multi-family units targeted for rental at rent levels affordable to tenants at 60% AMI and 38 multi-family units targeted for rental at levels affordable to tenants at 80% and 90% AMI.
3. Sub-Phase 3C. Construction of approximately 10,000 square feet of commercial use. The specific commercial use is still to be determined but will be a use that is permitted in the applicable zoning district and consistent with the Redevelopment Plan goal of a central commercial area integrated into the Project area. This Sub-Phase may be integrated with Sub-Phase 3B to create a mixed-use area integrating residential and commercial uses.

The Phase 3 area will need to be replatted prior to development. A preliminary site plan showing the current general phasing plan for Phase 3 is set forth below:



The phasing plan for Phase 3 is preliminary and subject to change.

The total development cost for Phase 3 is estimated to be approximately \$50,000,000. The costs for each sub-phase shall be finalized as construction costs are determined.

The amount of tax increment financing authorized for Phase 3 shall be the sum of Four Million Two Hundred Seventy-Four Thousand Eight Hundred Forty-Five and No/100 Dollars (\$4,274,845.00). This TIF amount is based on the current lot valuations for the base value and an assumed valuation of \$190,000 per residential unit once construction is complete. The TIF Calculations for Phase 3 are as follows:

Phase 3 (Overall)		Amount
(a)	Base Value:	\$716,000

(b)	Estimated New Assessed Value:	\$28,440,000
(c)	Incremental Value:	\$27,724,000
(d)	Annual TIF Generated (Estimated):	\$517,419
Total TIF Available = Present Value at 6% interest:		\$5,043,425

The TIF Calculations for the projected subphases of Phase 3 are as follows:

Phase 3A		Amount
(a)	Base Value:	\$100,000
(b)	Estimated New Assessed Value:	\$3,500,000
(c)	Incremental Value:	\$3,400,000
(d)	Annual TIF Generated (Estimated):	\$68,000
Total TIF Available = Present Value at 6% interest:		\$666,415

Phase 3B		Amount
(a)	Base Value:	\$516,000
(b)	Estimated New Assessed Value:	\$17,940,000
(c)	Incremental Value:	\$17,424,000
(d)	Annual TIF Generated (Estimated):	\$311,419
Total TIF Available = Present Value at 6% interest:		\$3,024,580

Phase 3C		Amount
(a)	Base Value:	\$100,000
(b)	Estimated New Assessed Value:	\$7,000,000
(c)	Incremental Value:	\$6,900,000
(d)	Annual TIF Generated (Estimated):	\$138,000
Total TIF Available = Present Value at 6% interest:		\$1,352,430

F. REALLOCATION OF AFFORDABLE UNITS AND TIF IN THE REDEVELOPMENT PROJECT PHASES

The unit breakdown and therefore the TIF allocation between the subphases of Phases 2 and 3 of the Project are preliminary and subject to change. The intent is to allow flexibility in the affordability level and unit count as long as the overall affordability requirements are achieved at the end of Phase Three. In order to meet the required affordability levels for this Project, at least 50% of the residential units must be targeted to be affordable for rent to tenants at 60% AMI or for sale to purchasers at 80% AMI, at least 25% of the residential units must be targeted to be affordable for rent to tenants at 80% AMI, and the remainder of the units (except for the three market rate units in subphase 1C) must be targeted to be affordable for rent to tenants at 90% AMI. In order to meet these affordability requirements, at least 132 of the 412 residential units in Phases 2 and 3 must be targeted to be affordable for rent to tenants at 60% AMI, at least 141 of the 412 residential units in Phases 2 and 3 must be targeted to be affordable for rent to tenants at 80% AMI, and the remaining 139 units must be targeted to be affordable for rent to tenants at 90% AMI, which would result in the following affordability breakdown:

	Affordability Criteria
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Phase	Units	60% AMI ²	80% AMI	90% AMI	Market Sales
1A	131	131	0	0	0
1B	35	35	0	0	0
1C	30	27 ³	0	0	3
1D	42	0	22	20	0
2 & 3	412	132	141	139	0
Total	650	325	163	159	3
Percentage	100%	50.00%	25.08%	24.46%	0.46%

The unit mix and the TIF allocation shall be set forth in the Redevelopment Agreement for each subsequent phase. No further amendment of the Redevelopment Plan shall be required for an adjustment of the unit mix in phases 2 and 3 as long as the overall result is that at least 132 units in Phases 2 and 3 are targeted to be affordable for rent to tenants at 60% AMI, at least 141 units in Phases 2 and 3 are targeted to be affordable for rent to tenants at 80% AMI, and the remaining units in Phases 2 and 3 are all targeted to be affordable for rent to tenants at 90% AMI, thus ensuring that overall in the Project Area: (1) at least 50% of the units are targeted to be affordable for rent to tenants at 60% AMI or for sales to buyers at 80% AMI, (2) at least 25% of the units are targeted to be affordable for rent to tenants at 80% AMI, and (3) the remainder of the units (except for three market rate units in Subphase 1C) are targeted to be affordable for rent to tenants at 90% AMI. Similarly, the overall TIF amount for each sub-phase in Phases 2 and 3 may be adjusted as long as the total TIF Indebtedness amount for Phases 2 and 3 does not exceed \$13,055,845. Additional details on each sub-phase will be set forth in the applicable redevelopment agreement(s).

G. COST-BENEFIT ANALYSIS SUPPLEMENTAL INFORMATION

The Cost-Benefit Analysis set forth in the Redevelopment Plan for Foxtail Meadows shall remain as originally proposed except that the amount of tax increment financing authorized for each sub phase shall be the amounts set forth above. The other impacts which are required to be analyzed pursuant to the Nebraska Community Development Law under the Foxtail Meadows Redevelopment Plan remain applicable to the Plan as modified by this Second Amendment

The modifications and additional phases set forth in this Second Amendment have a particularly positive effect on increasing the availability of affordable housing units and achieving the City's affordable housing goals. Specifically, this Second Amendment will enable the following results:

1. 14 homes for sale targeted for affordability to buyers at 80% AMI and 13 homes for sale targeted for affordability to buyers at 60% AMI, for a total of 27 affordable units for sale instead of only 14 homes for sale targeted to 80% AMI in the previously designed Sub-Phase 1C.
2. 22 rental units targeted to be affordable to renters at 80% AMI and 20 rental units targeted to be affordable to renters at 90% AMI in Sub-Phase 1D, instead of 53 units targeted to

² Or 80% AMI for sales.

³ Thirteen of the units in Phase 1C exceed the Outer Area TIF Policy affordability requirements (these are units for sale targeted to be affordable to purchasers at 60% AMI).

be affordable to renters at 120% AMI as previously intended for this portion of the project area.

3. Up to an additional 412 affordable rental units in Phases 2 and 3. Out of these 412 units in Phases 2 and 3, at least 132 units will be targeted for affordability to renters at 60% AMI, at least 141 units will be targeted for affordability to renters at 80% AMI, and the remainder of the units will be targeted for affordability to renters at 90% AMI.

Overall, the Foxtail Central Redevelopment Project will provide a substantial increase in affordable units for workforce and low-income housing in the City, with 99.54% of the units including some level of affordability restrictions, as shown in the table in Section F, above.

The general rule in the City of Lincoln's TIF Policy states that: "Outer Area TIF projects should not include existing or newly developing residential areas within their boundaries unless a minimum of 75 percent of the units are at prices affordable for rent at 60% or below Area Median Income for the life of the tax increment period or for sale at 80% or below Area Median Income." However, the policy continues to provide that: "[n]othing in this policy limits the power of the City to exercise its redevelopment authority in furtherance of appropriate and desirable growth." Rather than limit only 75% of the units to affordability at or below 60% AMI for rentals and 80% AMI for sales with the remaining 25% of the units unrestricted, this plan provides for 99.54% of the units targeted for affordability at either 60% AMI, 80% AMI, or 90% AMI. Additionally, 13 units are being targeted for sales affordable at 60% AMI, which exceeds the general TIF policy and creates home ownership opportunities at an even lower affordability point.

The Urban Development Department believes that the private and public improvements proposed in this Plan, as modified by this Second Amendment would not occur "but for" the utilization of tax increment financing in the Plan area. It would not be economically feasible for the Redeveloper to construct the Projects without tax increment financing because the existing site conditions are a burden to development that cannot be remedied without the use of tax increment financing, and the rents are below market rents which do not support the development. Housing at price points intended for workforce and low-income occupants cannot be built without community collaboration, cooperation, and participation.

The other impacts which are required to be analyzed pursuant to the Nebraska Community Development Law for the Foxtail Meadows Redevelopment Project within the South Folsom Redevelopment Plan remain applicable to the Plan as modified by this Second Amendment.



LINCOLN
Urban Development

April 21, 2025

Andrew Thierolf
City of Lincoln-Lancaster County Planning Department
555 S. 10th St.
Lincoln, NE 68508

Dear Andrew:

Enclosed is the second amendment to the South Folsom Redevelopment Plan, which was approved by City Council on August 8, 2022. This second amendment updates and modifies Sub-Phases 1c 1D. This amendment also includes two new phases: Phase 2 and Phase 3.

Please forward this plan amendment to the Planning Commission for their earliest consideration for Comprehensive Plan compliance. My understanding is that this amendment should be on the May 28, 2025 meeting agenda.

If you have questions or need additional information, please contact me at 402-441-7855 or at ecastillo@lincoln.ne.gov.

Sincerely,

Ernie Castillo

Cc: *Mia Haschenburger, Urban Development Department*
Hallie Salem, Urban Development Department
Paul Barnes, Planning Department
Steve Henrichsen, Planning Department
Abigail Littrell, City Law Department
Peter Hind, Urban Development Department