



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

Miscellaneous 25014
*Lincoln Cornhusker Area Extremely
Blighted Study*

FINAL ACTION?

No

PLANNING COMMISSION HEARING DATE

October 15, 2025

RELATED APPLICATIONS

[MISC25013](#)

LOCATION

Generally N. 48th & Adams

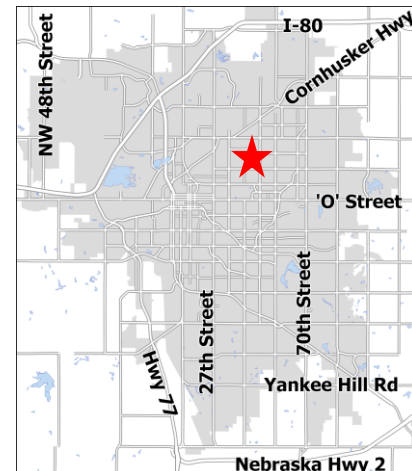
RECOMMENDATION: FINDING OF EXTREMELY BLIGHTED CONDITIONS

BRIEF SUMMARY OF REQUEST

Nebraska State Statutes [18-2101](#) to [18-2154](#), Community Development Law, allows for the designation of Blighted and Substandard areas, and in 2019 added a provision for Extremely Blighted areas. An Extremely Blighted Determination Study is used to identify areas within Lincoln that meet the criteria for Extreme Blight. Properties within the Extreme Blight designation are eligible for additional Housing Trust Fund dollars and a state tax credit for home buyers.

Per State Statute, designation of Extreme Blight requires action by the City Council with recommendation from the Planning Commission.

The Lincoln Cornhusker Area Extremely Blighted Determination Study 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): [MISC25014](#).



JUSTIFICATION FOR RECOMMENDATION

The area identified in the study meets the statutory requirements for Extreme Blight.

APPLICATION/STAFF CONTACT

Hallie Salem
City of Lincoln Urban Development Dept
(402) 441-7866
hsalem@lincoln.ne.gov

COMPATIBILITY WITH THE COMPREHENSIVE PLAN

The Comprehensive Plan encourages infill development and preserving and improving housing in existing neighborhoods.

KEY QUOTES FROM THE 2050 COMPREHENSIVE PLAN

Elements Section

E2: Infill and Redevelopment

Redevelopment Incentives

Facilitating infill and redevelopment in the existing city requires both a nuanced understanding of the challenges associated with redevelopment projects and a well-thought out set of strategies to overcome them. Commonly cited challenges to infill and redevelopment include land cost and assembly, access to financing, and zoning requirements.

Tax Increment Financing (TIF), facilitated by redevelopment plans in blighted areas, has been the city's most common tool for incentivizing infill redevelopment. TIF is authorized by Nebraska Community Development Law and has been utilized by the City of Lincoln since 1982. TIF uses the added tax revenue created by the redevelopment to finance project-related costs such as land acquisition, core and shell rehabilitation, and public improvements. Traditionally, the developer takes on the debt of the project, pays their full tax burden, and then is allocated back the increment to pay down the debt on the pre-identified project-related costs.

In 2019 the State legislature revised Nebraska Community Development Law to include an "extremely blighted" designation. Areas meeting the criteria of being extremely blighted are eligible for additional Housing Trust Fund dollars and state tax credits for owner-occupied home purchases.

There are many existing and potential redevelopment incentives beyond blighting and TIF (i.e. tax abatement, land value tax, impact fee exclusions).

Policies Section

P8: Infill and Redevelopment

Infill projects should target existing underdeveloped or redeveloping areas in order to remove blighted conditions and more efficiently utilize existing infrastructure.

ANALYSIS

1. Nebraska State Statutes [18-2101](#) to [18-2154](#), Community Development Law, allows for the designation of Blighted and Substandard areas, and in 2019 added a provision for Extremely Blighted areas. To be designated Extremely Blighted, an area must meet three criteria:
 - Declared blighted and substandard;
 - The unemployment rate average is at least 200% of the average state unemployment rate; and
 - Average poverty rate exceeds 20%.
2. State statute requires the completion of a study to determine if an area meets the criteria to be declared Extremely Blighted. Designation of Extreme Blight requires action by the City Council with recommendation from the Planning Commission.
3. Areas designated as Extremely Blighted are eligible for additional Housing Trust Fund dollars, and owner-occupied homes purchased in the designated areas are eligible for a \$5,000 Nebraska income tax credit.
4. The Lincoln Cornhusker Area meets the three criteria for extreme blight:
 - The area is proposed for designation as Blighted & Substandard with application [MISC25013](#);
 - The area unemployment rate is 6.18%, more than 200% of the average state unemployment rate of 2.99%; and
 - The area average poverty rate is 24.29%, exceeding the extremely blighted requirement of 20%.

5. This application is the same in scope as [MISC25009](#) and the associated [MISC25008](#) that were considered by the Planning Commission on July 23, 2025. In the spirit of transparency and to address concerns with the process followed at the prior public hearing, this matter is being resubmitted to the Planning Commission for its consideration. All written comments and the minutes from the prior Planning Commission meeting are included on PATS ([MISC25014](#)) for the Planning Commission to consider.
6. Outreach related to this extreme blight study was completed in several stages. Two areas within the extreme blight study have an existing subarea plan - University Place and 33rd & Cornhusker. Both of those plans included an extensive public involvement process. Also included in this plan is a portion of the Clinton neighborhood. On June 2, 2025 City staff attended a neighborhood meeting in Clinton to provide additional information and answer questions about the blight and extreme blight study.

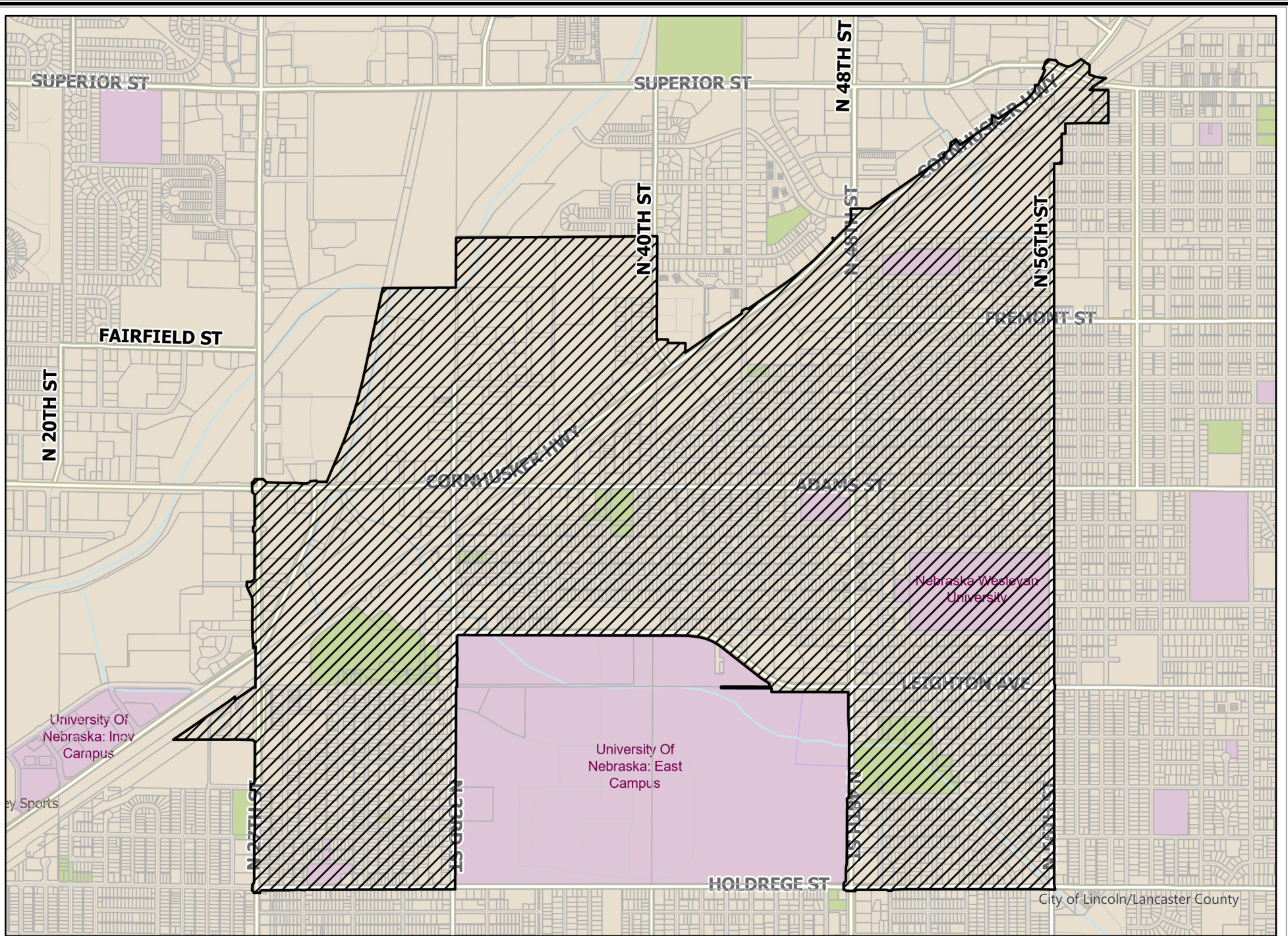
APPROXIMATE LAND AREA: 2,065 acres

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

September 30, 2025

Contact: Hallie Salem
City of Lincoln Urban Development Dept
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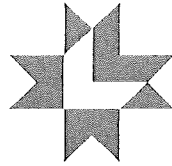
<https://linclanc.sharepoint.com/sites/PlanningDept-DevReview/Shared Documents/DevReview/MISC/25000/MISC25014 Lincoln Cornhusker Area Extremely Blighted Study.adt.docx>



City of Lincoln/Lancaster County



MISC25013 & MISC25014
Lincoln Cornhusker Area Blight and Substandard Study &
Lincoln Cornhusker Area Extreme Blight Study



LINCOLN
Urban Development

September 17, 2025

Andrew Thierolf, Planning Department
City of Lincoln-Lancaster County Planning Department
555 S. 10th Street, Suite 213
Lincoln, NE 68508

Dear Andrew:

Enclosed is a copy of the Lincoln Cornhusker Area Extreme Blight Study. This study reviews the area encompassing the University Area Subarea Plan as well as the 33rd Street and Cornhusker Highway corridor.

Once submitted through Project Dox, please forward the proposed study to the Planning Commission for their consideration for Comprehensive Plan compliance at the October 15, 2025 public hearing. We request that the redevelopment plan also be scheduled at City Council for introduction on November 3, 2025 and public hearing on November 17, 2025.

If you have questions or need additional information, please contact me at 402-441-7857 or jhiatt@lincoln.ne.gov.

Sincerely,

Jennifer Hiatt
Planner II | Economic Opportunity
Urban Development

EXTREMELY BLIGHTED AREA STUDY

Conducted by: Urban Development - Kurt Elder

Member of the American Institute of Certified Planners

Member of the Certified Geographic Information System Professionals

Former Licensed Real Estate Salesperson Professional

Standard Review

Implementation Background: In the 2020 Nebraska general election Proposed Amendment No. 2 was offered to the voters. It was a constitutional amendment to authorize the Legislature to allow cities and villages to pledge property taxes as part of a redevelopment project for a period not to exceed twenty years if, due to a high rate of unemployment combined with a high poverty rate as determined by law, more than one-half of the property in the project area is extremely blighted. As a state, voters approved the measure 530,236 FOR (61.6%) and 330,445 AGAINST. In Lancaster County, voters approved the measure 89,689 FOR (64.2%) and 49,967 AGAINST.

A. Reasons for completing an extremely blighted study

REF: Statute 18-2101 to 18-2154 and section of the act, aka Community Development Law Section 2: (1) For any city that (a) intends to carry out a redevelopment project which will involve the construction of workforce housing in an extremely blighted area as authorized under subdivision (28)(g) of section 18-2103, (b) intends to declare an area as an extremely blighted area for purposes of funding decisions under subdivision (1)(b) of section 58-708, or (c) intends to declare an area as an extremely blighted area in order for individuals purchasing residences in such area to qualify for the income tax credit authorized in subsection (7) of section 77-2715.07, the governing body of such city shall first declare, by resolution adopted after the public hearings required under this section, such area to be an extremely blighted area.

B. Additional Consideration

In Nebraska Statute 18-2103, Section #3 it states, "A redevelopment project involving a formerly used defense site as authorized under section 18-2123.01 and any area declared to be an extremely blighted area under section 18-2101.02 shall not count towards the percentage limitations contained in this subdivision;" If this area is approved our percent blighted, as a community, will decline.

C. Legislative Direction

Section 2: Prior to making such declaration, the governing body of the city shall conduct or cause to be conducted a study or an analysis on whether the area is extremely blighted and shall submit the question of whether such area is extremely blighted to the planning commission or board of the city for its review and recommendation. The planning commission or board shall hold a public hearing on the question after giving notice of the hearing as provided in section 18-2115.01. Such notice shall include a map of sufficient size to show the area to be declared extremely blighted or information on where to find such map and shall provide information on where to find copies of the study or analysis conducted pursuant to this subsection. The planning commission or board shall submit its written recommendations to the governing body of the city within thirty days after the public hearing.

D. Process

Brief: In order for an area to be designated as extremely blighted and substandard two findings need to be met. These facets are defined in Nebraska statute; however, for brevity they are **(a)** areas that have been found blighted and substandard through city council action, and **(b)** have been found to be extremely blighted.

An approved blighted and substandard area is also extremely blighted if **(i)** the *average rate of unemployment in the area during the period covered by the most recent federal decennial census or American Community Survey 5-Year Estimate is at least two hundred percent of the average rate of unemployment in the state during the same period*; and **(ii)** the *average poverty rate in the area exceeds twenty percent for the total federal census tract or tracts or federal census block group or block groups in the area*.

This study primarily determines which areas meet the statutory definition through a reasonable operationalization of Nebraska statute.

E. Methodology & Data Tables

City of Lincoln's base data methodology utilizes implementation strategies approved in, Omaha, Grand Island, North Platte, Norfolk and South Sioux City studies. Other community agents are currently using these strategies as they develop their studies.

Furthermore, our averaging process/interpretation received support from UNO's David Drozd Research Coordinator at the UNO Center for Public Affairs (David has since moved on to another firm), and input from Sen. Justin Wayne's office. Senator Wayne was the Chair of the Urban Affairs Committee when this legislation was passed.

All data is 2023 US Census American Community 5-year Survey data. We utilize block group level information from the census to maximize potential data points for analysis. We acknowledge that margins of error can be more significant at this geography level. We discuss this further in section 'F. Process and Outcomes'. Poverty data came from Census table: [B17021](#). Should the reader prefer a breakout by sex and age consider using Census table [B17001](#). Employment data came from Census table: [B23025](#)

Council Approved Blight -

The Community development law requires that an Extremely Blighted and Substandard area be an approved blighted area. The City of Lincoln has blighted areas; those studies/documents/approved areas are available for review ([Web link](#)). See 'Approved Blight Areas' in the appendix.

Extremely Blighted Components –

Part (i) is a state comparison. The 2023 Nebraska Unemployment rate, according to the US Census American Community Survey (Five-year estimate) was 2.99¹%. Therefore, the average rate of our selected area would require an unemployment rate of at least 5.98%. Unemployment is the total number of unemployed people, expressed as a percentage of the civilian labor force ([Source](#)). A five-year estimate is used because it is directed by state

¹ U.S. Census Bureau, U.S. Department of Commerce. "Employment Status for the Population 16 Years and Over." *American Community Survey, ACS 5-Year Estimates Detailed Tables, Table B23025*, 2023, <https://data.census.gov/table/ACSDT5Y2023.B23025?q=B23025&g=040XX00US31&moe=false>. Accessed on March 21, 2025.

statute. Urban Development uses familiar data sources and geography when possible.

	Nebraska Estimate	Percent Unemployed	2.99%
Total:	1,536,522	200% Rate	5.98%
In labor force:	1,056,798		
Civilian labor force:	1,050,295		
Employed	1,018,867		
Unemployed	31,428		
Armed Forces	6,503		
Not in labor force	479,724		

Urban Development developed an area with an average unemployment of 6.18% within available (i.e., data points that were in the city limits or those that intersect Lincoln's corporate limits) An area average is determined by using the sum of estimated factors and NOT the average of each piece. Furthermore, state statute does not state that all facets must be contiguous. See 'Employment Study' in the appendix. Below is a table #1 that displays data for this study area.

Table #1: Employment data

Census Tract	Census Block Group	Total Civilian Labor Force	Total Unemployed in the Labor Force
Census Tract 1	Block Group 3	506	28
Census Tract 10.01	Block Group 2	793	0
Census Tract 10.02	Block Group 1	635	61
Census Tract 10.03	Block Group 1	624	0
Census Tract 2.02	Block Group 1	817	33
Census Tract 2.02	Block Group 2	440	8
Census Tract 2.02	Block Group 3	1070	115
Census Tract 29	Block Group 1	2019	155
Census Tract 29	Block Group 2	1381	33
Census Tract 29	Block Group 3	567	75
Census Tract 3	Block Group 1	1007	20
Census Tract 3	Block Group 2	435	0
Census Tract 3	Block Group 3	1004	12
Census Tract 4	Block Group 1	936	43
Census Tract 4	Block Group 2	542	69
Census Tract 4	Block Group 3	523	0
Census Tract 4	Block Group 4	926	23
Census Tract 6	Block Group 1	563	83
Census Tract 6	Block Group 2	672	105
Census Tract 6	Block Group 3	443	42
Census Tract 6	Block Group 4	1684	269
Census Tract 7	Block Group 1	800	41
Census Tract 7	Block Group 2	943	1
Census Tract 8	Block Group 1	1029	117
Census Tract 8	Block Group 3	590	11
Census Tract 9	Block Group 1	672	42
Census Tract 9	Block Group 2	518	21
Census Tract 9	Block Group 3	1116	32
Total		23,255	1,439
Study Area Average Unemployment		6.188%	

Part (ii) is a local area finding. Lincoln's 2023 poverty rate was 12.63%,² but in line with state statute, Urban Development worked to develop an area with at least 20% poverty. Urban Development developed an area with a 24.29% poverty rate to meet this threshold within the available data points (i.e., data points in the city limits or those that intersect Lincoln's corporate limits). An area average is determined by using the sum of estimated factors and NOT the average of unique block group averages. Below is a table #2 that displays data for this study area.

Table #2: Poverty data

Census Tract	Census Block Group	Total Poverty Universe	Toal Below Poverty
Census Tract 1	Block Group 3	1,098	173
Census Tract 10.01	Block Group 2	1,191	284
Census Tract 10.02	Block Group 1	749	162
Census Tract 10.03	Block Group 1	1,121	111
Census Tract 2.02	Block Group 1	1,273	116
Census Tract 2.02	Block Group 2	810	112
Census Tract 2.02	Block Group 3	1,077	527
Census Tract 29	Block Group 1	2,820	333
Census Tract 29	Block Group 2	1,968	540
Census Tract 29	Block Group 3	979	240
Census Tract 3	Block Group 1	1,889	399
Census Tract 3	Block Group 2	927	152
Census Tract 3	Block Group 3	1,420	234
Census Tract 4	Block Group 1	1,677	409
Census Tract 4	Block Group 2	1,152	215
Census Tract 4	Block Group 3	1,018	348
Census Tract 4	Block Group 4	1,743	1,019
Census Tract 6	Block Group 1	0	0
Census Tract 6	Block Group 2	0	0
Census Tract 6	Block Group 3	32	20
Census Tract 6	Block Group 4	398	233
Census Tract 7	Block Group 1	1,006	272
Census Tract 7	Block Group 2	1,546	370
Census Tract 8	Block Group 1	1,679	371
Census Tract 8	Block Group 3	1,308	620
Census Tract 9	Block Group 1	828	190
Census Tract 9	Block Group 2	581	91
Census Tract 9	Block Group 3	1,600	206
Total		31,890	7,747
Study Area Average Poverty		24.293%	

F. Process & Outcome

State statute does not direct how to operationalize differing census geographic boundaries, use margin of errors of various like census geographies, use adjusted margin of errors when combining different levels of geography, and confidence intervals in determining fitness at disparate levels that are often inconsistent with blight areas etc.

² U.S. Census Bureau, U.S. Department of Commerce. "Poverty Status of Individuals in the Past 12 Months by Living Arrangement." *American Community Survey, ACS 5-Year Estimates Detailed Tables, Table B17021, 2023*, <https://data.census.gov/table/ACSDT5Y2023.B17021?q=B17021&g=160XX00US3128000&moe=false>. Accessed on March 21, 2025.

We recognize the need to balance a reasonable and defensible operationalization against the desire of a community to conform to an imperfect statute who voted overwhelmingly to support this concept. Through data analysis this work was achieved.

Therefore, we overlaid these three facets/areas (i.e., approved blight, 20%+ poverty, 200%+ of Nebraska's unemployment rate) and delineated areas where the three intersected as a reasonable implementation effort. Urban Development presents for consideration a proposed extremely blighted area. See 'Qualifying Area Review: Focused Area' and 'Proposed Extremely Blighted Area' in the appendix.

The proposed extremely blighted area is the same area as the proposed blight and substandard area.

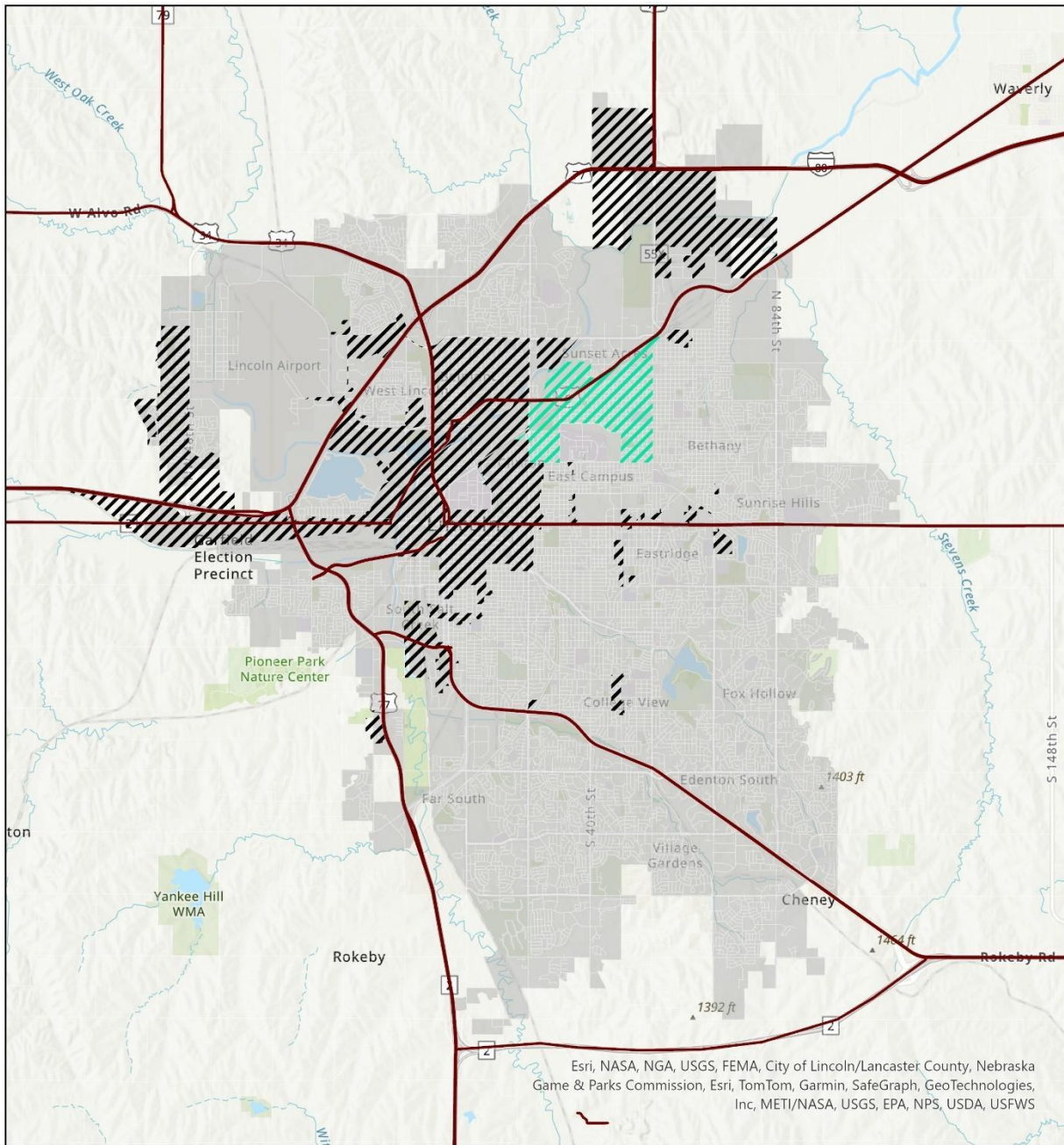
G. Legislative Review

The Legislature has the power to bring forth legislation to address/correct issues or complete an interim study to better understand issues of public importance. Neither action has occurred since the implementation of this methodology.

H. Appendix Images:

1. Approved Blighted & Substandard Areas
2. Employment Study Area
3. Poverty Study Area
4. Qualifying Area Review: Focused Area
5. Proposed Extremely Blighted Area

1. Approved Blighted & Substandard Areas



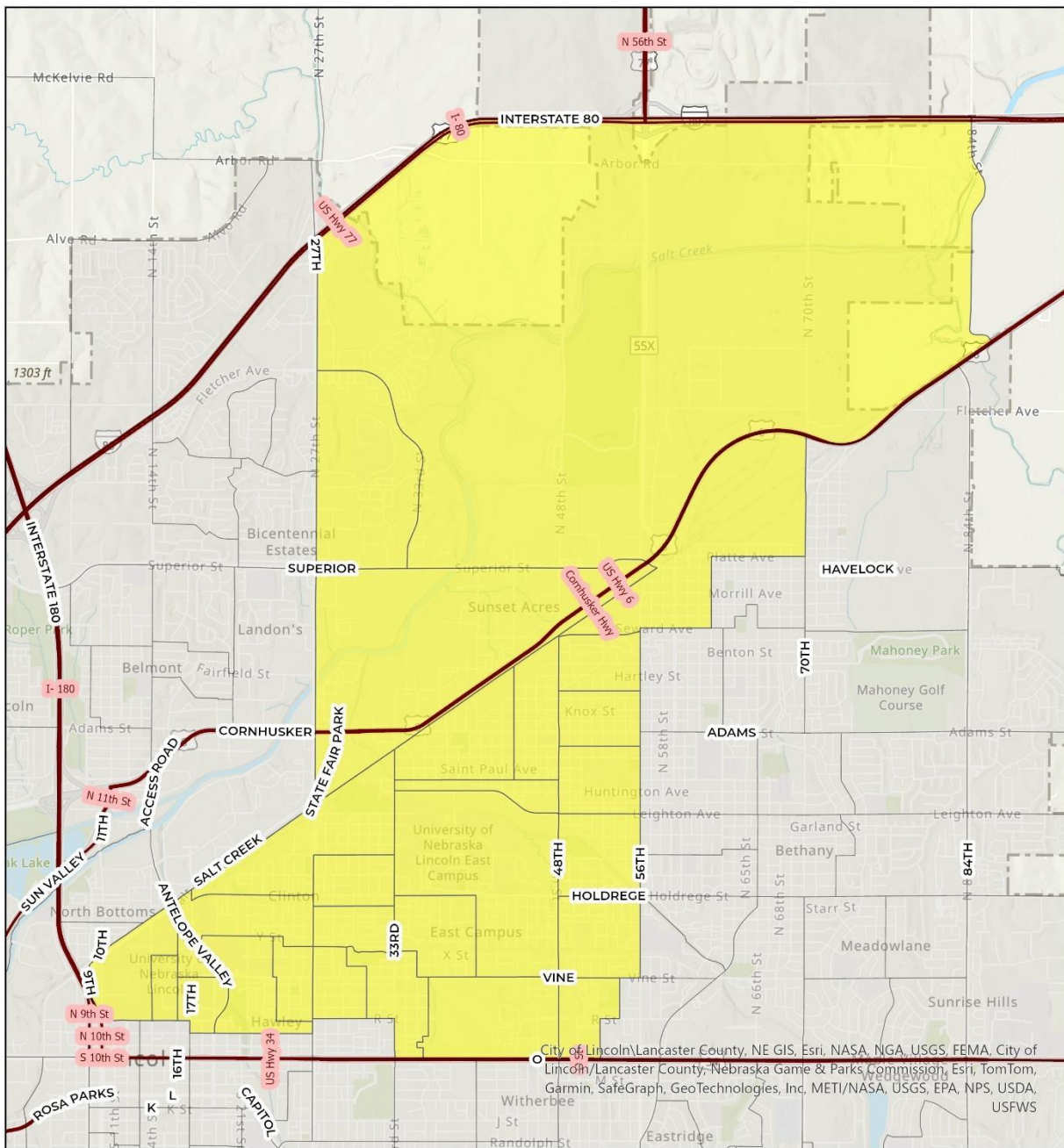
City of Lincoln: Approved Blighted & Substandard Areas

- Primary Roads
- ▨ Approved Blight & Substandard Area
- ▨ Proposed Blight & Substandard Area Under Consideration
- ▨ Lincoln City Limits

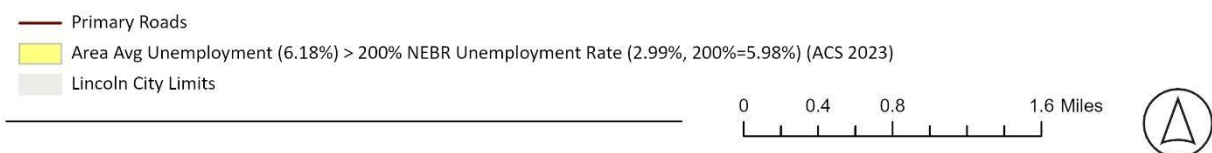
0 1 2 4 Miles



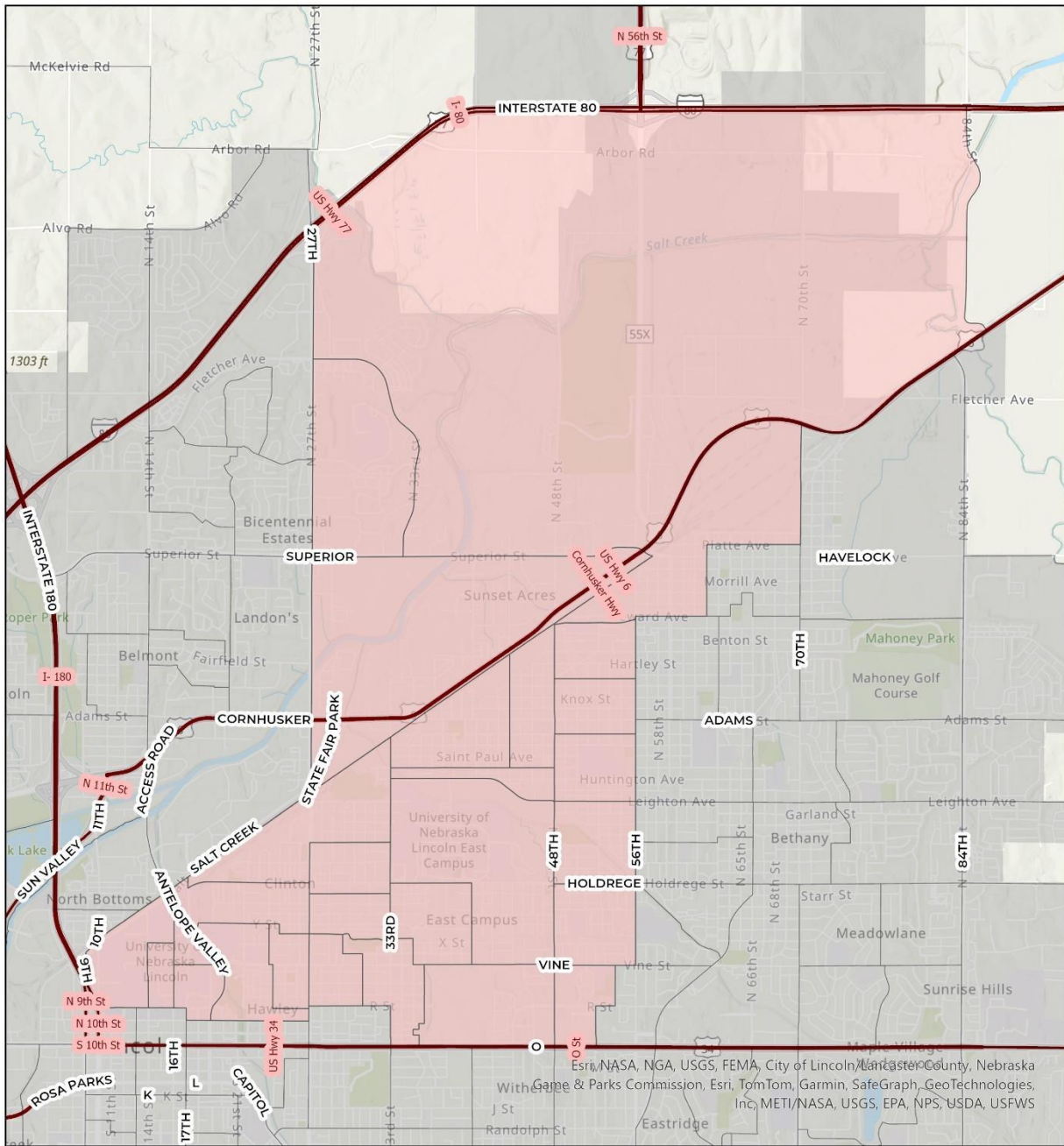
2. Employment Study Area



City of Lincoln: Employment Review



3. Poverty Study Area



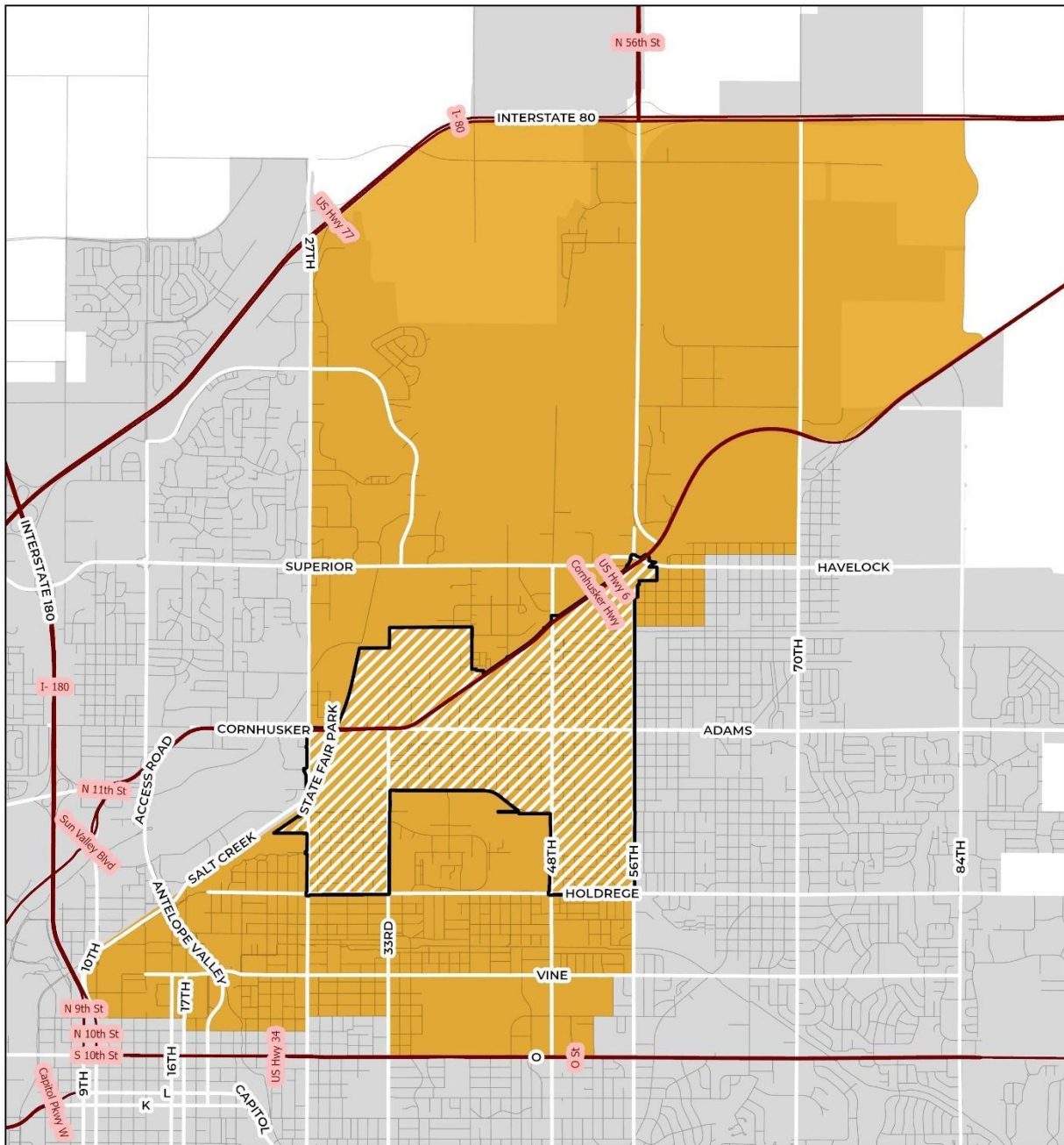
City of Lincoln: Poverty Review

- Primary Roads
- Avg Poverty >20% (ACS 2023)
- Lincoln City Limits

0 0.4 0.8 1.6 Miles



4. Qualifying Area Review: Focused Area



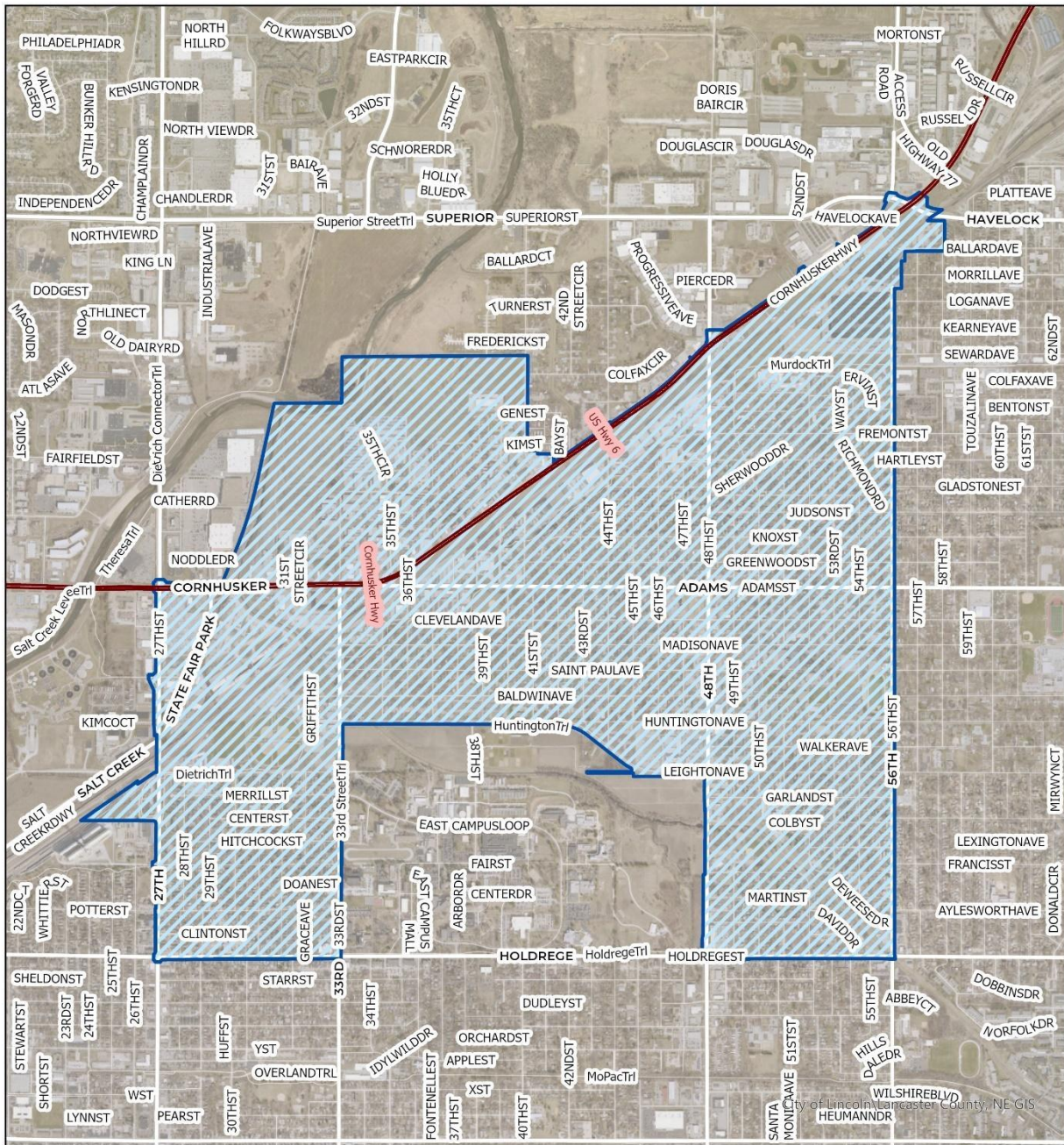
City of Lincoln: Qualifying Extreme Blight Area, Proposed Blight Area Under Consideration

- Primary Roads
- Proposed Blight Area Under Consideration
- Qualifying Extreme Blight Study Area
- Lincoln City Limits

0 0.4 0.8 1.6 Miles



5. Proposed Extremely Blighted Area



City of Lincoln: Proposed Extreme Blight Area

Primary Roads

Proposed Extremely Blighted Area

0 0.17 0.35 0.7 Miles

