

IV. LINCOLN CENTER COMMUNITY REDEVELOPMENT AREA REVITALIZATION

This section of the Lincoln Center Redevelopment Plan discusses projects for redeveloping and revitalizing the designated blighted and substandard areas.

- A. Q, O, P, R/NORTH HAYMARKET REDEVELOPMENT PROJECT
- B. 12TH STREET REVITALIZATION AREA PROJECT
- C. BLOCK 55 REDEVELOPMENT PROJECT
- D. HAYMARKET AREA REDEVELOPMENT PROJECT
- E. UNIVERSITY SQUARE PROJECT
- F. EAGLES/RUNZA REDEVELOPMENT PROJECT
- G. AMBASSADOR/PRESIDENT REDEVELOPMENT PROJECT
- H. LINCOLN CENTER PUBLIC IMPROVEMENT PROJECTS
 - I. CORNHUSKER SQUARE REDEVELOPMENT PROJECT - PHASE II
 - J. THE LINCOLN STAR BUILDINGS REDEVELOPMENT PROJECT
 - K. ENTERTAINMENT CENTER/OLD FEDERAL BUILDING REDEVELOPMENT PROJECT
 - L. LINCOLN MALL REDEVELOPMENT PROJECT
 - M. HAYMARKET 7TH & 8TH STREET CORE REDEVELOPMENT PROJECT
 - N. QO1214 DOWNTOWN PLAZA REDEVELOPMENT PROJECT
 - O. NORTH HAYMARKET ARTS AND HUMANITIES CENTER REDEVELOPMENT PROJECT AREA
 - P. WEST HAYMARKET REDEVELOPMENT PROJECT
 - Q. BLOCK 85 REDEVELOPMENT PROJECT
 - R. LINCOLN FLATS / BANK OF THE WEST REDEVELOPMENT PROJECT
 - S. BLOCK 86 REDEVELOPMENT AREA PROJECT
 - T. HAYMARKET HOTEL AND TOOL HOUSE REDEVELOPMENT PROJECT AREA
 - U. 13TH AND L REDEVELOPMENT PROJECT AREA
 - V. CATALYST ONE / CIVIC PLAZA REDEVELOPMENT PROJECT
 - W. TELESIS MEADOWGOLD REDEVELOPMENT PROJECT
 - X. 17TH AND Q/CREDIT UNION REDEVELOPMENT PROJECT
 - Y. 3 LANDMARK CENTRE REDEVELOPMENT PROJECT
 - Z. CASE, CASE & CASE REDEVELOPMENT PROJECT
- AA. KIECHEL FINE ARTS GALLERY REDEVELOPMENT PROJECT
- AB. P STREET EAST REDEVELOPMENT PROJECT
- AC. WESTERN SUPPLY BUILDING REDEVELOPMENT PROJECT
- AD. A & P II Redevelopment Project
- AE. Swanson Russell Redevelopment Project
- AF. South Haymarket Redevelopment Project
 - Phase I - The Collegiate Housing Sub Project

This section shall, for each project, cover the following four subsections:

1. Revitalization Project Description
2. Statutory Elements
3. Proposed Cost and Financing
4. Implementation Steps

A. Q, O, P, R/NORTH HAYMARKET REDEVELOPMENT PROJECT

This downtown project of the revitalization/redevelopment process for Lincoln Center will cover a 11- to 12-block area of the Lincoln Center Redevelopment Plan. The area will involve redevelopment/revitalization of all or a portion of Blocks 6, 9, 18, 21, 22, 29, 30, 34, 35, 36, and 42, Original Plat, and Blocks 10, 11, and 14, North Lincoln Addition as indicated in Exhibit IV-1. The redevelopment/revitalization of portions of this 11- to 12-block area will require a combination of public and private resources detailed in this section.

The primary goals of the redevelopment program are to maintain the considerable public investment that exists in the area and to provide: (a) incentives which make it attractive for businesses to locate and remain in downtown Lincoln, and (b) entrepreneurs the opportunity to undertake real estate development ventures both in substantial reconstruction and restoration of existing buildings. Areas such as downtown are not able to provide comparable investment opportunities with undeveloped areas. Without public support, revitalization/redevelopment will not occur.

This Q, O, P, R/North Haymarket Redevelopment Project incorporates several new and existing activity phases (See Exhibit IV-1) necessary and essential to the revitalization/redevelopment and preservation of the overall downtown Lincoln Center area.

Q, O, P, R REDEVELOPMENT PROJECT PHASES/SUB PROJECTS:

Phase I - Block 35 Sub Project

1. Revitalization Project Description

This project encompasses a one-block area and a portion of the adjacent vacated right-of-way within the Lincoln Center retail office core. The project area will involve redevelopment of all of Block 35 and abutting (vacated) right-of-way as indicated in Exhibit IV-2. The redevelopment of this area will require public and private resources detailed in this section. Redevelopment activities will result in the following improvements:

- (a) The development will include the construction by a private developer of an 8-10 story Embassy Suites Hotel with approximately 250 suites and approximately 15,000 square foot of conference space.

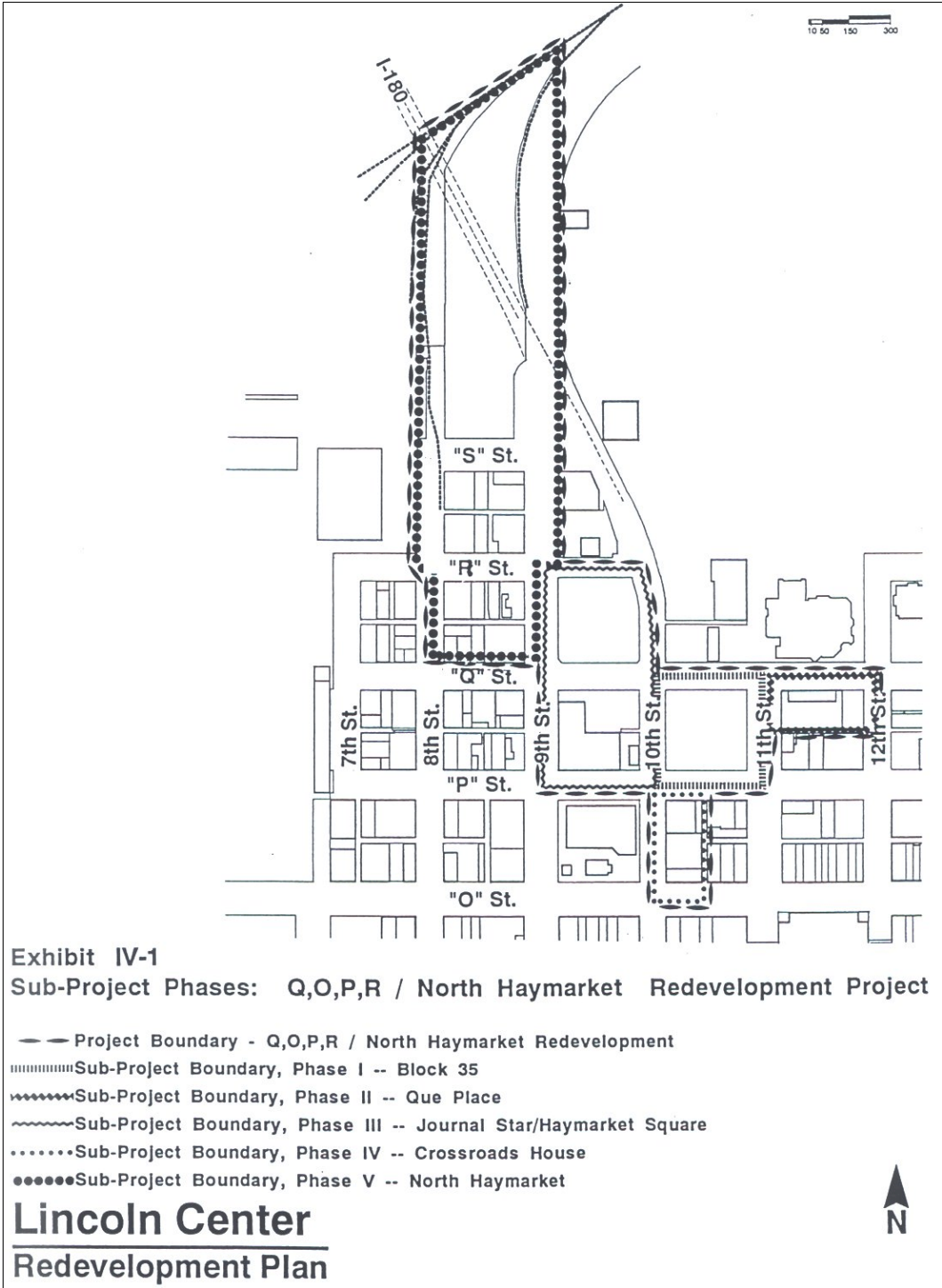
Parking Facility - Two multi-story parking structures consisting of approximately 400-600 spaces will be constructed and owned by the City of Lincoln. These structures may also provide for up to 20,000 sq. ft. of commercial space on the ground floor. The parking will be located on Blocks 36 and 34 and is addressed as part of the Phase II Que Place subproject and Phase III Journal Star/Haymarket subproject.

The parking facilities constructed will serve the parking needs of the Hotel and the adjacent downtown business area, the Lied Center for the Performing Arts, and the University of Nebraska campus.

Skywalk bridges will be constructed over 10th and 11th Streets to connect garage facilities proposed on both Blocks 34 and 36 to the Hotel on Block 35.

- (b) Public Improvements/Amenities - Installation, construction or reconstruction of streets, curbs, utilities, sidewalks, drives, art/sculpture, landscaping and streetscape improvements will be accomplished in street right-of-way surrounding the block.

The redevelopment of Block 35 will conform to conceptual Site Plan as indicated in Exhibit IV-3. The actual location, size, and design layout may be subject to revision.



2. Statutory Elements

(a) Property Acquisition, Demolition and Disposal

Accomplishing the Block 35 Sub Project of the Lincoln Center Redevelopment Plan will require public action on Block 35, and vacation of a portion of the adjacent street right-of-way. For this block indicated in Exhibit IV-3, the existing buildings, improvements and land on Block 35 have been acquired, existing tenants relocated, and the building demolished by the City of Lincoln. The block will be replatted. The City may retain a portion of the property to be acquired for public purposes.

- (i) The City of Lincoln has acquired the following property on Block 35 (see Exhibit IV-4, Existing Plat Map):

Lot A-F, Schaberg and Menloves Sub. of Lots 1 & 2, Blk. 35, Original Plat.

Lots 3, 4, E 1/2 9, & 10-12, Blk. 35, Original Plat.

Lots A-H, Walsh, Puttman & Brocks Sub. of Lots 7, 8 and W 1/2 9, Blk. 35, Original Plat.

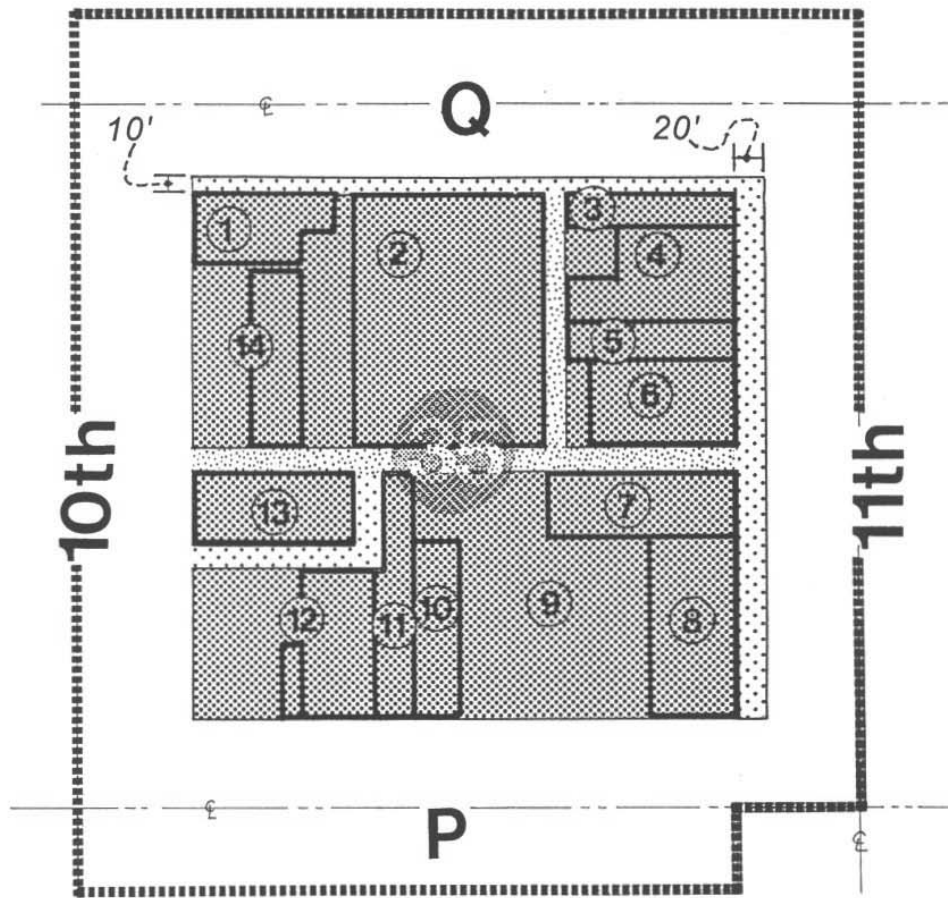
Lots A-E, County Clerks Sub. of Lots 5 & 6, Blk. 35, Original Plat.

All Alleys.





The City has acquired the necessary fees, easements, covenants and leases by way of voluntary negotiations (see Land Acquisition Proposals, Appendix 3).

- (ii) The City will vacate west 20 feet of 11th Street right-of-way abutting Block 35 and will vacate the south 10 feet of Q Street abutting Block 35.
- (iii) Demolition of Block 35 and Relocation of Occupants - After the City of Lincoln purchased Block 35, indicated in "(a)" above, it has prepared the site for redevelopment. Site preparation will include capping and relocating City utilities, securing insurance and bonds, and taking other necessary measures to protect citizens and surrounding properties. This sub project may require measures to mitigate/resolve environmental findings which will be determined upon completion of necessary site testing.

In addition, the City will demolish and clear the surface parking improvements located on the property.



**Exhibit IV- 2
Block 35 - Acquisition and Vacation**

-  Area Acquired and to be Redeveloped
-  Area Vacated
-  Area to be Vacated
-  Sub-Project Boundary -- Block 35

**Lincoln Center
Redevelopment Plan**



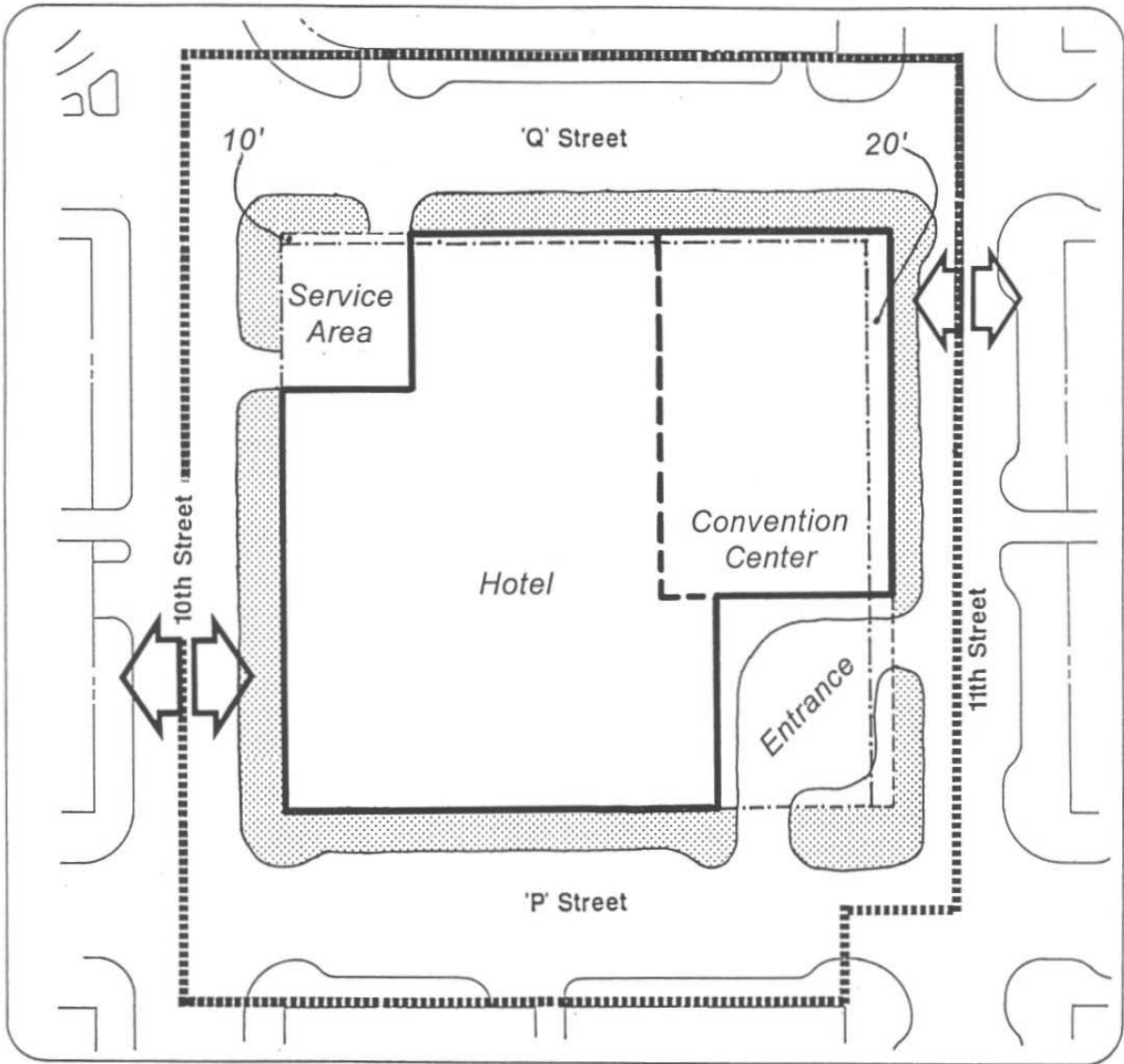


Exhibit IV-3
Block 35 Proposed Site Plan

-  Sidewalk and Streetscape Improvements
-  Overhead Pedestrian Access to Parking
-  Sub-Project Boundary -- Block 35

Lincoln Center
Redevelopment Plan



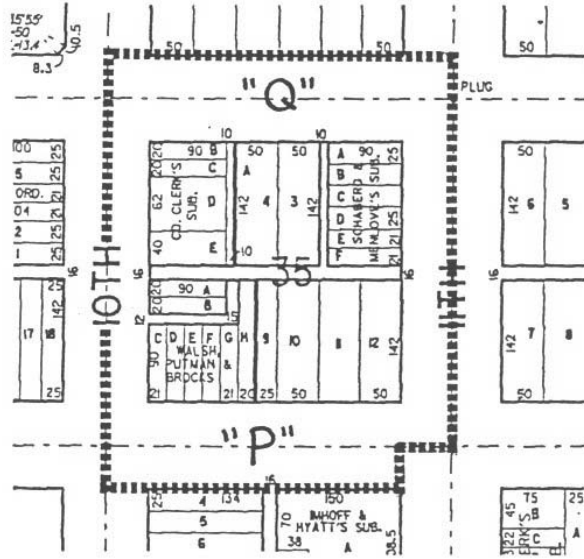


Exhibit IV-4
Existing Plat Map

----- Sub-Project Boundary -- Block 35

Lincoln Center Redevelopment Plan



- (iv) Disposal/Disposition - Project redevelopment will incorporate sale of the entire site (90,000 sq. ft.) to John Q. Hammons Hotels, Inc. along with 9,000 sq. ft. of adjacent right-of-way for construction of the Hotel and convention facilities. John Q. Hammons Hotels, Inc. was selected in an open and competitive competition.

Replatting - It may be necessary to replat the existing lots and vacated street and alleys into a new parcel or parcels.

(b) Population Density

Before acquisition of the block by the City, the block included 20 apartment units. The population density on the block has decreased. Fifteen to twenty residential units may be built as a part of the Embassy Suites project.

(c) Land Coverage and Building Density

The land coverage and building density on the block is anticipated to increase with the hotel and conference facility covering most of the block.

(d) Traffic Flow, Street Layouts

The development of the hotel and conference facilities will cause an increase in pedestrian and automobile traffic.

(e) Parking

While parking will not be provided on Block 35, approximately 400-600 parking spaces will be built on Blocks 34 and 36.

(f) Zoning, Building Codes and Ordinances

The present Lincoln Central Business District (B-4) zoning allows for hotel and conference development. Likewise, the City's adoption of the Uniform code for the Abatement of Dangerous Buildings, the Uniform Building Code and their specific City amendments will properly protect the public health, safety and welfare of the people.

At this time, there are no contemplated changes in the City's zoning laws or building codes in and to implement this project. It may be necessary, however, to adopt ordinances to issue special assessment and/or community improvement financing bonds for improvements.

(g) Public Utilities

In the Sub Project's one-block area, the vacation of alleys will necessitate the removal and relocation of utilities. Utilities which may need to be relocated and/or abandoned include: storm sewer and electric.

3. Proposed Cost and Financing

The total expenditure for the Block 35 Sub Project is estimated to be \$25,000,000 with \$23,000,000 in private development and approximately \$2.1 million in public investment. Additional public funds will be used to provide parking on Blocks 34 and 36. Public expenses include site demolition and preparation, streetscape improvements and skywalk construction. Exhibit IV-5 contains a breakdown of the public's estimated expenditures. Exhibit IV-6 shows a breakdown of funding by type and by source of funds. The following funding sources may be used to finance public improvements:

- Advance Acquisition Funds
- Sale of Land Proceeds
- Downtown Redevelopment Bond Funds
- Ad Valorem Tax (Community Improvement Financing)
- Community Development Block Grant funds

Any ad valorem tax levied upon real property in the redevelopment project for the benefit of any public body shall be divided, for a period not to exceed 15 years beginning with the first collection year in 1998 and final collection year in 2002.

- (a) That portion of the ad valorem tax which is produced by the levy at the rate fixed each year by or for each such public body upon the redevelopment project valuation shall be paid into the funds of each public body in the same portion as are all other taxes collected by or for the body; and
- (b) That portion of the ad valorem tax on real property in the redevelopment project in excess of such amount, if any, shall be allotted to and, when collected, paid into a special fund of the authority to pay principal of, and interest on, and any premiums due in connection with the bonds of loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise such development for financing or refinancing, in whole or in part, a redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness, including interest in premiums due, have been paid, the authority shall so notify the County Assessor and County Treasurer and all ad valorem taxes upon taxable real property in such redevelopment project shall be paid into the funds of the respective public bodies.

The effective date for the Community Improvement Financing provisions of the Block 35 Sub Project is declared to be the 12th day of January 1987.

Exhibits IV-5 and IV-6 summarize the financing, including expenditures and funding for the Block 35 Sub Project.

4. Implementation Steps

Under the Nebraska Community Development Law, the first step in redeveloping an area is for the City to declare the area blighted and in need of redevelopment. The Lincoln City Council completed this first step by declaring the Downtown Area blighted on October 22, 1984 and affirmed by resolution in 1987 the area as "blighted and substandard", and further amended thereafter. The City Council determined that private enterprise could not redevelop this area without the assistance provided by the Community Development Law (see Blight Resolutions, Appendix 1 and Appendix 9).

The implementation steps for the Block 35 Sub Project of the redevelopment plan have been and are:

- The City has acquired property rights and title to Block 35.
- The City has relocated tenants of Block 35. Temporary parking tenants will be relocated.
- The City has competitively selected a primary contractor to demolish and clear Block 35.
- Replat the blocks into one parcel.
- The City has competitively selected a developer to redevelop the block.
- The City shall select architects and engineers to design the public facilities and improvements (streetscape and other necessary public improvements).
- The City shall approve the public facility and improvements design.
- The City shall competitively select primary contractors to construct public facility and improvements.
- The City shall construct public facility and improvements.

EXHIBIT IV-5

BLOCK 35 SUB PROJECT EXPENDITURE SUMMARY

<u>Public Expenditures</u>	<u>Part 1</u>	<u>Part 2</u>
1. Property Acquisition, Relocation and Demolition	\$2,213,000	
2. Construction of Temporary Parking Facility, and Landscape and Other Improvements	255,000	
3. Site demolition and environmental		400,000
4. Skywalk Bridge connections to Blocks 34 and 36		650,000
5. Public Improvement-Utility Relocations and Streetscape Amenities		752,000
6. Architect/Engineer and Other Fees	40,000	227,000
7. Contingency	<u>20,000</u>	<u>90,000</u>
Gross Public Expenditure	\$2,528,000	\$2,119,000
 <u>Redeveloper's Expenditures</u>		
Private Development		\$23,000,000
TOTAL EXPENDITURES PART 2		\$25,119,000

EXHIBIT IV-6

BLOCK 35 SUB PROJECT FUNDING SUMMARY

<u>Public Funding By Type of Funding</u>	<u>Stage I</u>	<u>Stage II</u>
1. Parking Revenue Bonds, Community Improvement Financing Street Construction Fund, Bond Interest, Downtown Redevelopment Bond Funds, Sale of Land, Advanced Land Acquisition Fund and CDBG	\$528,000	\$2,119,000
2. CDBG Section 108 Loan Guarantee/Downtown Redevelopment Bonds	<u>2,000,000</u>	
TOTAL FUNDING	\$2,528,000	

Sub Project Estimated Funding Sources - Stage II Estimated

Community Improvement Financing (est)	\$ 734,000
Sale of Land	\$1,000,000
Advanced Acquisition Funds	\$ 85,000
Community Development Block Grant	<u>\$ 300,000</u>
	\$2,119,000

EXHIBIT IV-7

BLOCK 35 SUB PROJECT

Community Improvement Financing

Future Estimated Assessment Value	\$21,260,000
90% of Assessment	19,134,000
1986 Base Assessment Value	<u>-1,091,000</u>
Assessment Increase (CIF)	18,043,000
Tax Rate	.02
Annual Tax Increment Collection	360,859
Annual Tax Increment Available (1.35 coverage)	267,303
Available Funds (4 years @ 6.5%)	920,858
Fees (15%)	<u>-138,128</u>
Available for Construction	\$782,730