

Phase II - Hardy/Bucks Buildings Sub Project

1. Revitalization Project Description

The Phase II Hardy Building Sub Project involves Lot 1, the East 36 feet of Lot 2, Block 31 and Lots 1, 2 & 3 of Bucks Subdivision of Block 31 (Exhibit IV-68), which contain the Hardy and Bucks Buildings and will include the following activities/improvements:

Hardy Building

"Hardy Building" - A six-story, 72,000 square foot, excluding basement (12,000 square foot), warehouse building that is being converted/rehabilitated by a private developer to house a portion of one floor, 5,000 square feet, of office/retail space; and five and one-half floors of 60 units of rental housing.

Vault Areas - Seal off and fill in existing vault areas under docks on east and north sides outside building edge. Install new slab on compacted fill.

Dock Area - on new concrete dock slab install a thin set of brick pavers (east - 8th Street and north - "R" Street sides). As pedestrian amenities, install/construct planter boxes, bench seating and ornamental lighting on dock level. Install/construct a new ramp from grade to dock level for handicapped access. Install new industrial type guardrails around dock.

Bucks Buildings

The Bucks Buildings consist of three buildings: a circa 1821 three-story building on the south end of the complex, a 1920's five-story building in the center of the complex and a 1950's one-story building on the north end of the complex.

Utilities - Construct storm sewer (7th to 8th) and water main (8th to 9th) in "R" Street, and sanitary sewer in alley between "Q" and "R" Streets, from 7th to 9th Streets, as proposed in the Haymarket Redevelopment Plan.

Street Paving - Installation, construction or reconstruction of 8th Street ("Q" to "R"), including necessary intersection/traffic improvements, sidewalk and curb/gutter improvements and utility/drainage improvements, etc. Consideration will have to be given to the utilization of the rail spur line access to existing warehouse facilities in the area, its historical significance and/or its removal.

Dock Area - where necessary and appropriate, to the limits of available funds, reconstruct existing front dock and canopy to LMC standards.

Air Rights - Only under special circumstances will air rights over public rights-of-way be available for development.

A map of the Phase II - Hardy/Bucks Buildings Sub Project and the site improvements are presented in Exhibit IV-67.

2. Statutory Elements

(a) Property Acquisition, Relocation, Demolition and Disposal

No acquisition of private property or relocation of families or business or sale of property is necessary to accomplish the Phase II Hardy/Bucks Buildings. Demolition activities involve removal of the existing dock slab, sealing off underground vault and filling in vault area and installing/constructing a new dock slab. Accomplishing the Hardy/Bucks Buildings may require public action to secure a construction easement and other property rights to complete the described dock vault demolition activity. The property rights may be acquired by way of voluntary negotiations (see Land Acquisition Policy, Appendix 3).

(b) Population Density

The existing development on Lot 1 and east 36 feet of Lot 2, Block 31, contained no residential units. Through building conversion/renovation/rehabilitation, 60 units of rental housing have been provided. Redevelopment of the Bucks Buildings Complex could potentially add additional residential units also. Thereby the population density in the project area will increase.

(c) Land Coverage

The present land coverage and building density will remain the same.

(d) Traffic Flow, Street Layouts and Street Grades

It is anticipated that redevelopment activities contemplated on Block 31 will cause an increase in pedestrian and automobile traffic.

The street layout in the area may be modified. Consideration is being given to converting "P" and "Q" Streets from one-way traffic to two-way traffic.

(e) Parking

Parking will not be provided within the Phase II Hardy Building activity area itself, but be served by public and private parking facilities in the adjacent and surrounding area. There is a total of 280 public parking spaces, including leased spaces, available within 1 1/2 blocks of the Haymarket Square Public Parking Lot.

(f) Zoning, Building Codes and Ordinances

The present zoning in the Haymarket Area is B-4 zoning, which allows for the type of development proposed. 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 property protect the public health, safety and welfare of the

community/area. At this time, there are not contemplated changes in the City's zoning laws or buildings codes needed to implement this project. It may be necessary, however, to adopt ordinances to issue special assessment and community improvement financing bonds for streetscape, paving, dock/sidewalk, and other improvements.

3. Proposed Cost and Financing of Phase II - Hardy/Bucks Buildings Activity

Total cost for the Phase II - Hardy/Bucks Buildings Redevelopment Activity is estimated to be \$4,069,036. This includes \$2,832,562 for the rehabilitation/construction of the Hardy/Bucks buildings and \$1,236,974 of public involvement. Exhibit IV-71 contains a breakdown of the public's and developer's estimated expenditures.

The rehabilitation of Hardy Building (housing units, office and retail) will be financed from private sources, with financial assistance from Federal HoDAG Grant and Community Development Block Grant funding. In turn, the increased property taxes generated by these private/public improvements can be utilized to fund a portion of the public's expenditures.

On Lot 1 and the east 36 feet of Lot 2, Block 31, and Lots 1, 2 and 3 of Bucks Subdivision of block the existing property produces an annual ad valorem tax of \$11,374. With the new housing, office/retail rehabilitation completed, there will be a net increase of \$49,079 a year in taxes generated by the activity portion of Block 31.

Therefore, vault demolition and construction of the dock/sidewalks, pedestrian and other amenities will be funded by the public using the following sources:

- (a) Any ad valorem tax levied upon real property in the redevelopment activity on Lot 1, and east 36 feet of Lot 2, Block 31, for the benefit of any public body shall be divided, for a period not to exceed 15 years after the effective date of such provision by the governing body as follows:
 - (i) 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 activity valuation shall be paid into the funds of each public body in the same proportion as are all other taxes collected by or for the body; and
 - (ii) That portion of the ad valorem tax on real property in the redevelopment activity 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 activity. 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 activity shall be paid into the funds of the respective public bodies.



Exhibit IV-67
 Proposed Site Plan - Hardy and Buck's
 Buildings Sub Project

Lincoln Center
 Redevelopment Plan



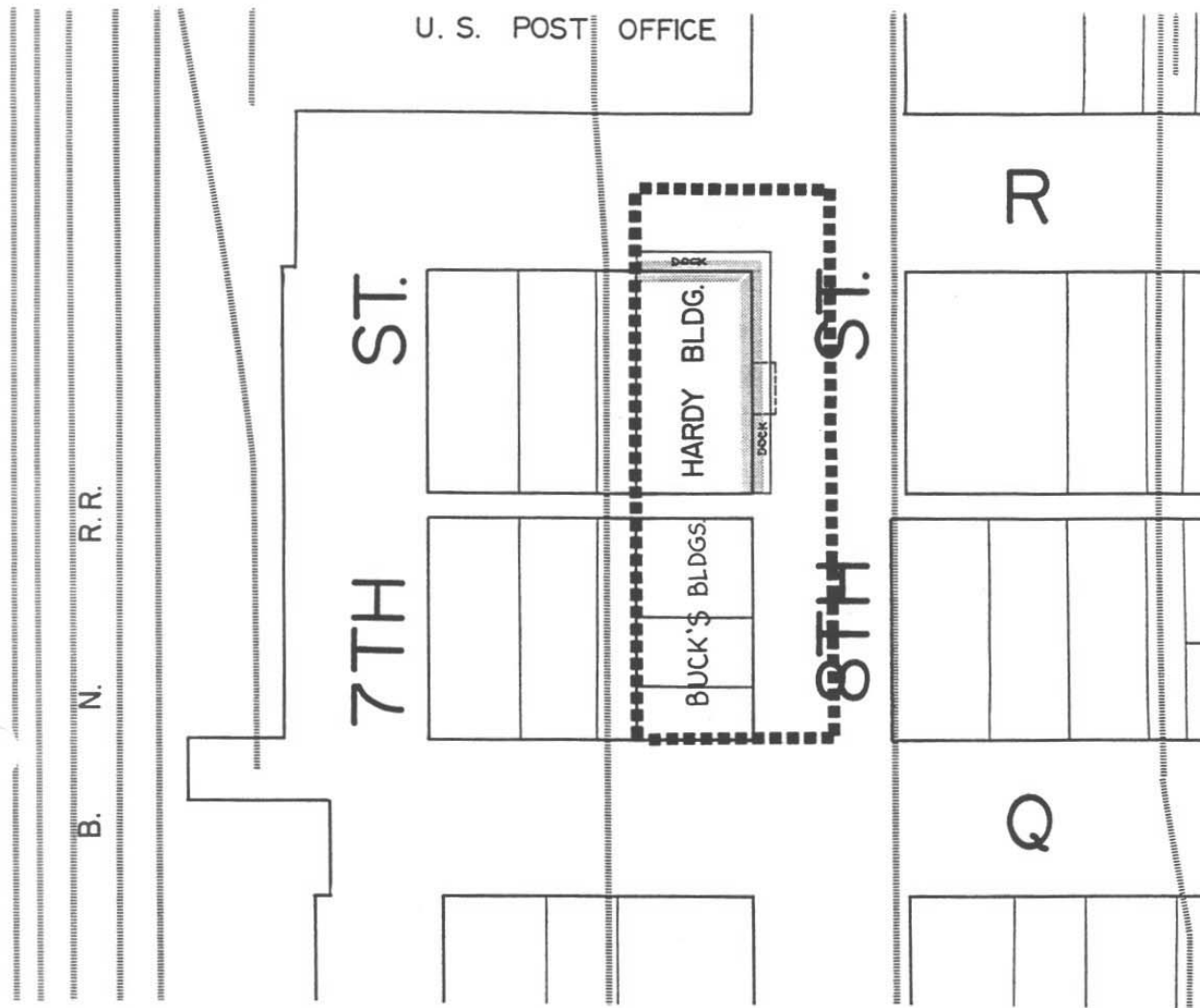


**Exhibit IV-68
Existing Plat Map**

Phase II - Hardy and Buck's Buildings Sub Project

Lincoln Center Redevelopment Plan





**Exhibit IV-69
Acquisition and Easement**

- ■ ■ ■ Phase II - Hardy and Buck's Buildings Sub Project
- ▨ Acquire Construction Easement

**Lincoln Center
Redevelopment Plan**



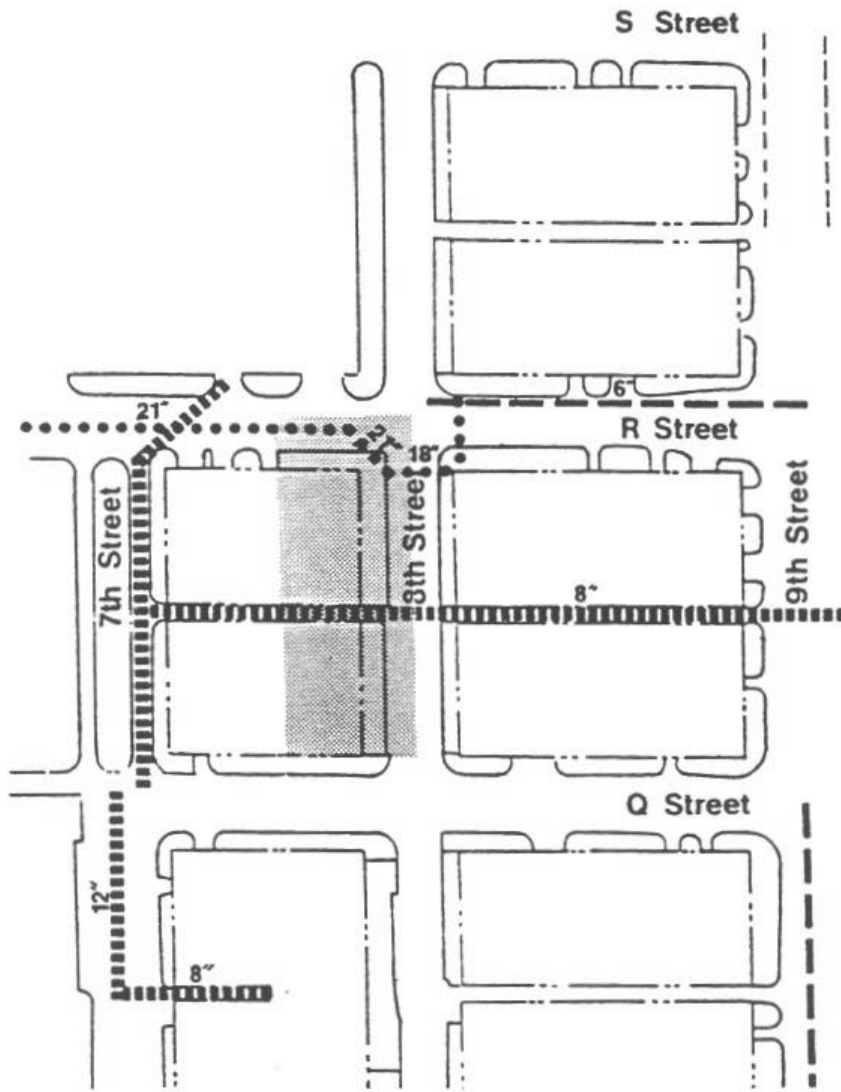






Exhibit IV-70
Public Works Dept. -- Proposed Utility
Improvements

-  Phase II - Hardy and Buck's Buildings Sub Project
-  Water
-  Sanitary Sewer
-  Storm Sewer

Lincoln Center

Redevelopment Plan



The Hardy/Bucks Buildings Activity financing, including expenditures and funding, is summarized in Exhibit IV-72.

The effective date for the Community Improvement Financing provisions of the Hardy/Bucks Buildings Redevelopment Activity is declared to be the 13th day of July, 1987.

4. Implementation Steps

The Hardy/Bucks Buildings Activity is an example of what can be accomplished when the private sector and government work together towards a common redevelopment goal. Utilizing the Community Redevelopment Law (Neb. Rev. Stat. 18-2101 et al), as amended in 1979, the City of Lincoln can now offer new financing capabilities for public improvement.

Under the 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 Haymarket Area blighted on June 20, 1983 and the Downtown Area blighted on October 22, 1984 and affirmed by resolution in 1987 the area as "blighted and substandard." 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 Hardy/Bucks Buildings Activity include:

- Issue and sell community development notes or bonds.
- Acquire a construction easement and other necessary property rights in the area adjacent to the underground dock vault, necessary for construction of public improvements.
- Competitively select contractor to perform vault demolition activities.
- Negotiate redevelopment and operating agreements with developers.
- Select architects and engineers to design the reconstruction/
public improvements. Use private developers architect services offered.
- Approve the public facilities and improvements design.
- Competitively select contractors to construct public facilities and improvements.
- Construct public and private facilities and improvements.

EXHIBIT IV-71

PHASE II - HARDY/BUCKS' BUILDINGS ACTIVITY EXPENDITURES

Public Expenditures

1. Property Easement Acquisition and Demolition	\$76,875
2. Sidewalks	1,500
3. Dock Area/Canopy	102,660
4. Other Amenities (including lighting, & benches)	25,000
5. Architect/Engineer	10,500*
6. Contingency	<u>4,625</u>
	210,660
* Paid from Private Development Costs	<u>- 10,500</u>
	\$ 200,160
7. Solar Bank/Energy Conservation Improvements	26,000
8. HoDAG Development Cost Writedown	<u>\$1,010,314</u>
TOTAL	\$1,236,474

Developer's Cost

1. Housing and Retail/Office Development	<u>\$2,832,562</u>
GRAND TOTAL OF EXPENDITURES	\$4,069,036

EXHIBIT IV-72

**PHASE II HARDY/BUCK'S BUILDINGS ACTIVITY
COMMUNITY IMPROVEMENT FINANCING**

<u>Community Improvement Financing Bonds</u>	<u>Bucks</u>	<u>Hardy</u>	<u>Total</u>
Future Assessment Value	\$ 945,000	\$1,299,600	\$2,253,600
Prior Assessment Value	237,451	213,435	450,886
Assessment Increase	716,549	1,086,165	1,802,714
Tax Rate .0272253			
Annual Tax Increment	19,508	29,571	49,079
Debt Service (1.25 Coverage)	15,607	23,657	39,264
C.I.F. Collections	156,070	331,198	487,268
Bond Issue available (9.625%)	97,463	177,894	275,357
Less Issue Expenses			
Capitalized Interest (6 mo.)	4,690	8,561	13,251
Bond Reserve (1 Year)	15,607	23,657	39,657
Issuance & underwriting expenses	<u>3,902</u>	<u>8,280</u>	<u>12,182</u>
Sub-Total Expenses	\$24,199	\$ 40,498	\$ 64,697
Estimate for Construction Use	\$ 73,264	\$ 137,396	\$ 210,660

Developer's Cost

1. Housing & Retail/Office Development	<u>\$1,329,700</u>	<u>\$1,502,862</u>	<u>\$2,832,562</u>
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Funding Summary

Public Funding

C.I.F. Bonds	\$ 73,264	\$ 137,396	\$ 210,660
Solar Bank/Energy Conser. Improv.		\$ 26,000	\$ 26,000
HoDAG	_____	<u>\$1,010,314</u>	<u>\$1,010,314</u>
TOTALS	\$73,264	\$1,173,710	\$1,246,974