

O. NORTH HAYMARKET ARTS AND HUMANITIES CENTER REDEVELOPMENT PROJECT AREA

The North Haymarket Arts and Humanities Center Redevelopment Project Area incorporates all of the block located between 8th and 9th Streets and R and S Streets in Downtown Lincoln and adjacent right-of-way, including S Street north to the property line, 8th Street west to the curb line, R Street south to the curb line, and 9th Street east to the curb line. The goal of this project is to strengthen and extend the Haymarket district. Activities over phases of the project include removal of blighted structures; redevelopment of an existing building into a modern, mixed-use office/retail building; construction of a public-private center for the promotion of modern arts and humanities assembly; and, the construction of a mixed-use commercial building. This project will also create the new north entrance to the Haymarket district.

City support may include property acquisition, site preparation and remediation, property demolition, utility improvements, parking improvements, public art, and the construction of project related public amenities and related streetscape amenities.

Each phase of the project will support the continued revitalization of the Haymarket, is consistent with the goals of the *Lincoln Center Redevelopment Plan* and *Downtown Master Plan*, and is intended to support private sector retail and commercial development and amenities in this redevelopment area.

Project improvements correspond to several of the Downtown Redevelopment Goals identified in the *Lincoln Center Redevelopment Plan*. The redevelopment project addresses these goals by accomplishing the following:

- encouraging private redevelopment in and enhancing the architectural character of downtown Lincoln;
- utilizing an underdeveloped lot and removing blight;
- encouraging development of mixed-use projects that attract and maintain commercial activity and residential developments in the Downtown and Haymarket District;
- integrating streetscape and landscape improvements in the project area with existing public and private amenities;
- supporting the vision of a revitalized Downtown and Haymarket District, which is a specialty retail, cultural, and entertainment core of our city and a regional destination; and,
- supporting downtown business recruitment efforts.

PHASE I - SAWMILL REDEVELOPMENT PROJECT AREA

1. Revitalization Project Description

The Sawmill Redevelopment Project Area, Phase One of the North Haymarket Arts and Humanities Center Block, incorporates the three parcels in the northwest quadrant of Block 21, located between 8th and 9th Streets and R and S Streets in Downtown Lincoln (see Exhibit IV-137).

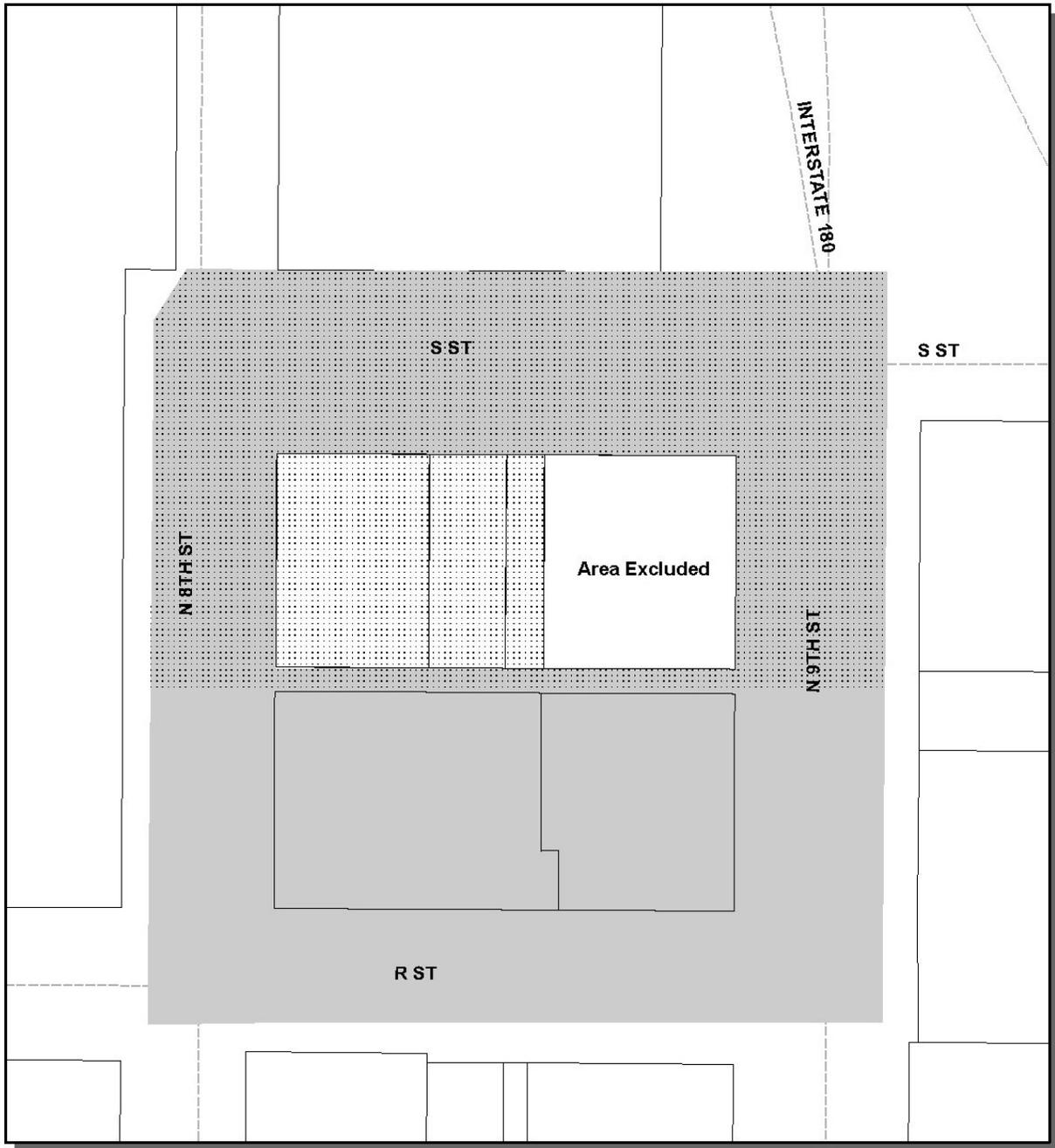


Exhibit IV - 137

North Haymarket Arts & Humanities Center Redevelopment Project Area

-  North Haymarket Arts & Humanities Center Redevelopment Area
-  Parcels
-  Phase I - Sawmill
-  Phase II - North Haymarket Mixed Use



City of Lincoln
Urban Dev. GIS
Revised 7/7/2008
(Re-platted parcels)

Before redevelopment began, the land use in the Sawmill Redevelopment Project Area consisted of warehouse uses. Exhibit IV-138 identifies the most recent land use within the project area.

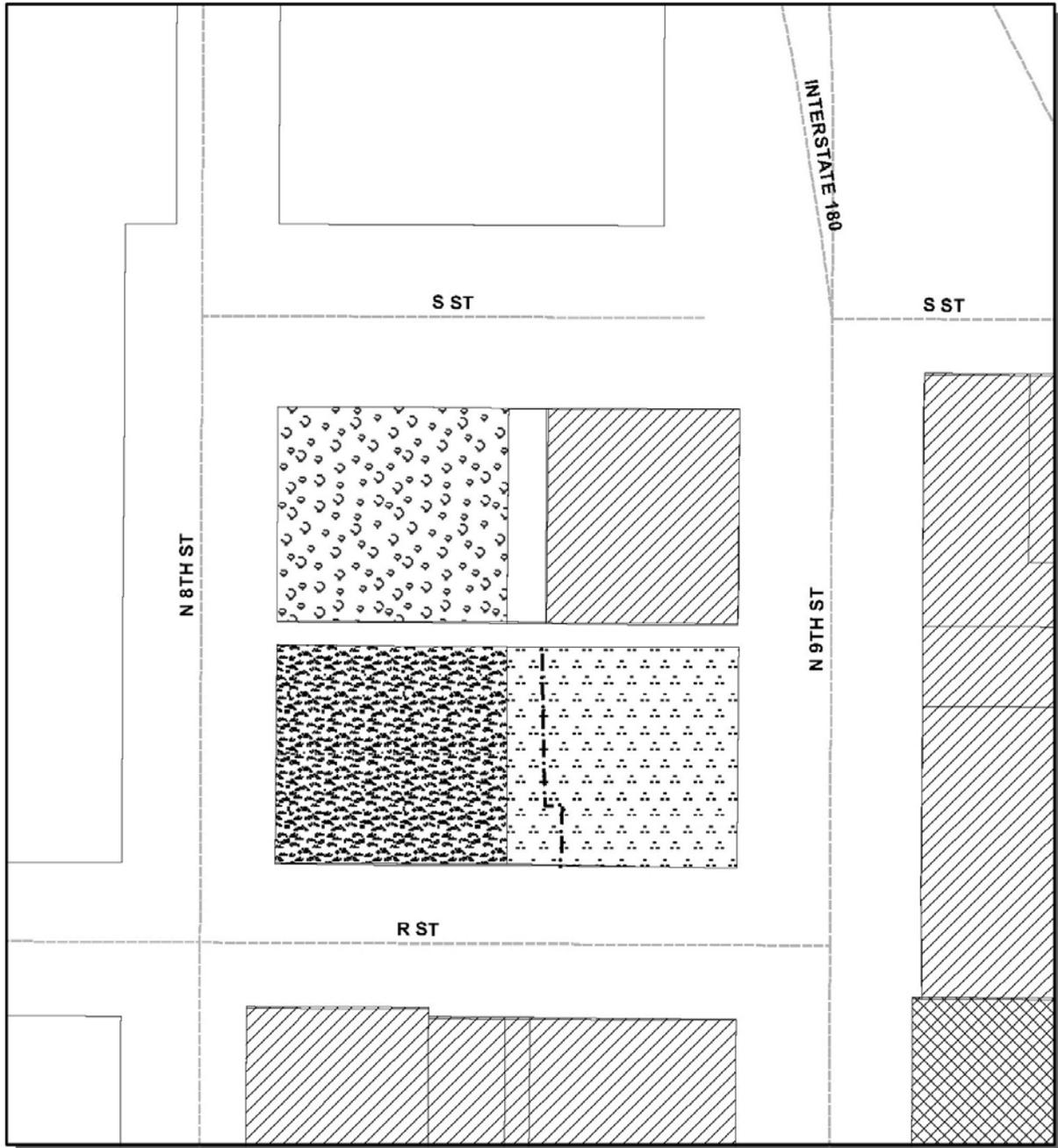
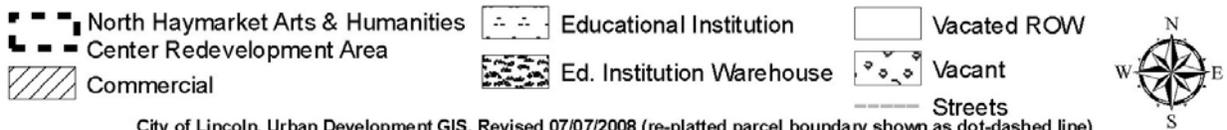


Exhibit IV - 138

**North Haymarket Arts & Humanities Center Redevelopment Project Area
Existing Land Use**



City of Lincoln, Urban Development GIS, Revised 07/07/2008 (re-platted parcel boundary shown as dot-dashed line)

The goal of this project is to strengthen the Haymarket district through the redevelopment of an existing building into a modern, mixed-use office/retail building. This project will remove blighted and substandard conditions, will make positive contributions to the continued revitalization of the Haymarket district in downtown Lincoln, and create a vibrant entrance to the Haymarket.

The project will support the continued revitalization of the Haymarket, is consistent with the goals of the Lincoln Center Redevelopment Plan, and is intended to support private sector retail and commercial development and amenities in this redevelopment area. Publicly funded redevelopment activities may include site acquisition and preparation, utility improvements, and other related public improvements. These improvements correspond to several of the Downtown Redevelopment Goals identified in Section III. The redevelopment project addresses these goals by accomplishing the following:

- encouraging private redevelopment in and enhancing the architectural character of downtown Lincoln;
- utilizing an underdeveloped lot and removing blight;
- supporting the vision of a revitalized Downtown and Haymarket District, which is a specialty retail, cultural, and entertainment core of our city and a regional destination; and,
- supporting downtown business recruitment efforts.

2. Statutory Elements

a. Property Acquisition Relocation Demolition and Disposal

Accomplishing the Sawmill Redevelopment Project will involve the redevelopment of an existing building on Block 21. This project may involve acquisition, sales, or reconveyances as provided by law and consistent with the plan. The City may acquire property for public infrastructure and other needs. Exhibit IV-139 identifies the proposed uses in the project area.

b. Population Density

There are no residential units within the proposed project boundaries. However, there are a total of 105 residential units in the adjacent area today, all of which are located in mixed-use buildings. These include 60 units in the Hardy Building at 335 N 8th Street, 16 units in the Haymarket Loft Building at 311 N 8th Street, 26 units in the Grainger Building at 105 N 8th Street, and 3 units in the Burkholder Project at 719 P Street. All of these units will remain after implementation of the redevelopment project. In addition, there are 13 units proposed at the new Option 13 project at 727 R Street. Additional housing units are planned for the Salvation Army building complex at 151 N 8th Street. Construction of these units will continue during and after implementation of the project envisioned in this redevelopment plan amendment. We anticipate this project will be completed in 2007.

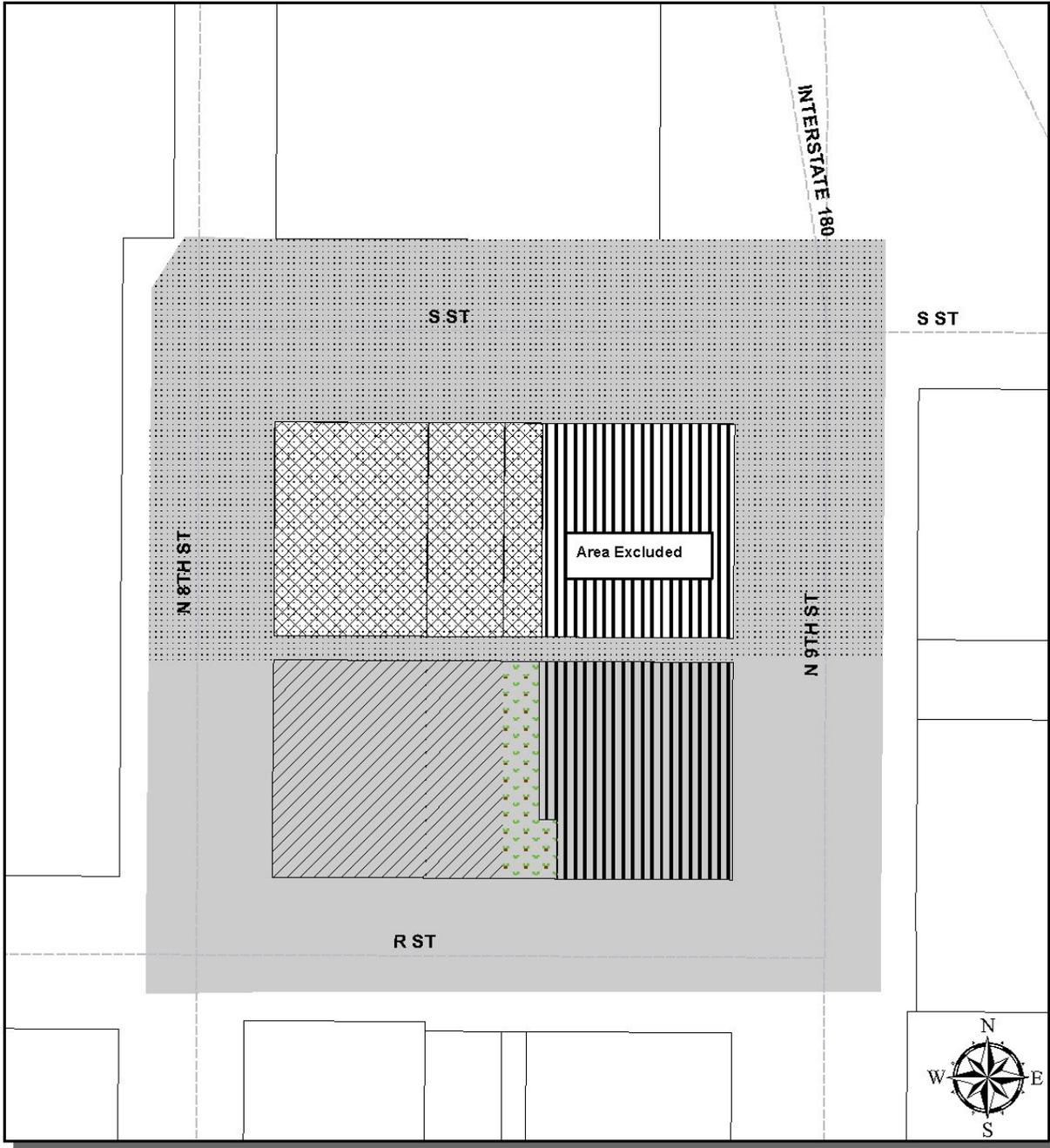


Exhibit IV - 139

North Haymarket Arts & Humanities Center Redevelopment Project Area Proposed Uses

- North Haymarket Arts & Humanities Center Redevelopment Area
- Phase I - Sawmill
- Phase II - N Haymarket Mixed Use
- Mixed Use
- Mixed Use Commercial
- Mixed Use, Public/Private Sector
- Public/Private Space
- Streets

City of Lincoln, Urban Development GIS, Revised 07/07/2008 (re-platted parcels)

c. Land Coverage and Building Density

Land coverage and building density will not be altered with the implementation of this project. The building within the project area, while subject to significant investment and redevelopment, will remain. The proposed uses are shown on Exhibit IV-139.

d. Traffic Flow, Street Layout and Street Grades

The existing street system within the project area will not be changed as a result of this project.

e. Parking

Currently, there are approximately 13 stalls of surface parking on the project block. Parking in the adjacent area includes the 409-stall Haymarket public garage and 159 stalls at the City’s Iron Horse lot. Various on-street parking configurations surround each block in the project area.

f. Zoning, Building Codes and Ordinances

The area is located within the downtown B-4 business zone that allows for a wide range of uses including the mixed-use developments that are being proposed. See Exhibit IV-140.

The International Building Code and its local amendments, as well as other City Construction Codes will be followed in the demolition, redevelopment, and construction of these buildings to properly protect the health, safety, and welfare of the people. Leadership in Energy and Environmental Design (LEED) Certification will be sought on this property.

Zoning will remain unchanged as a result of this project. At this time, there are no contemplated changes in the City zoning laws or building codes to implement this project.

g. Public Infrastructure

New infrastructure improvements are anticipated to be needed as a result of this project. These improvements may include alley reconstruction. The City may also work with developers to improve public utilities serving these developments.

h. Cost Benefit Analysis

A cost-benefit analysis will be prepared and included as a part of the material that will be presented to City Council.

3. Proposed Costs and Financing

The proposed cost and financing of the Sawmill Redevelopment Project Area, Phase One of North Haymarket Arts and Humanities Center Project, is identified below:

The estimated total cost to implement this redevelopment is \$3.0 million; this includes approximately \$800,000 for land acquisition, \$1.9 million in improvements, and \$254,000 of City public investment.

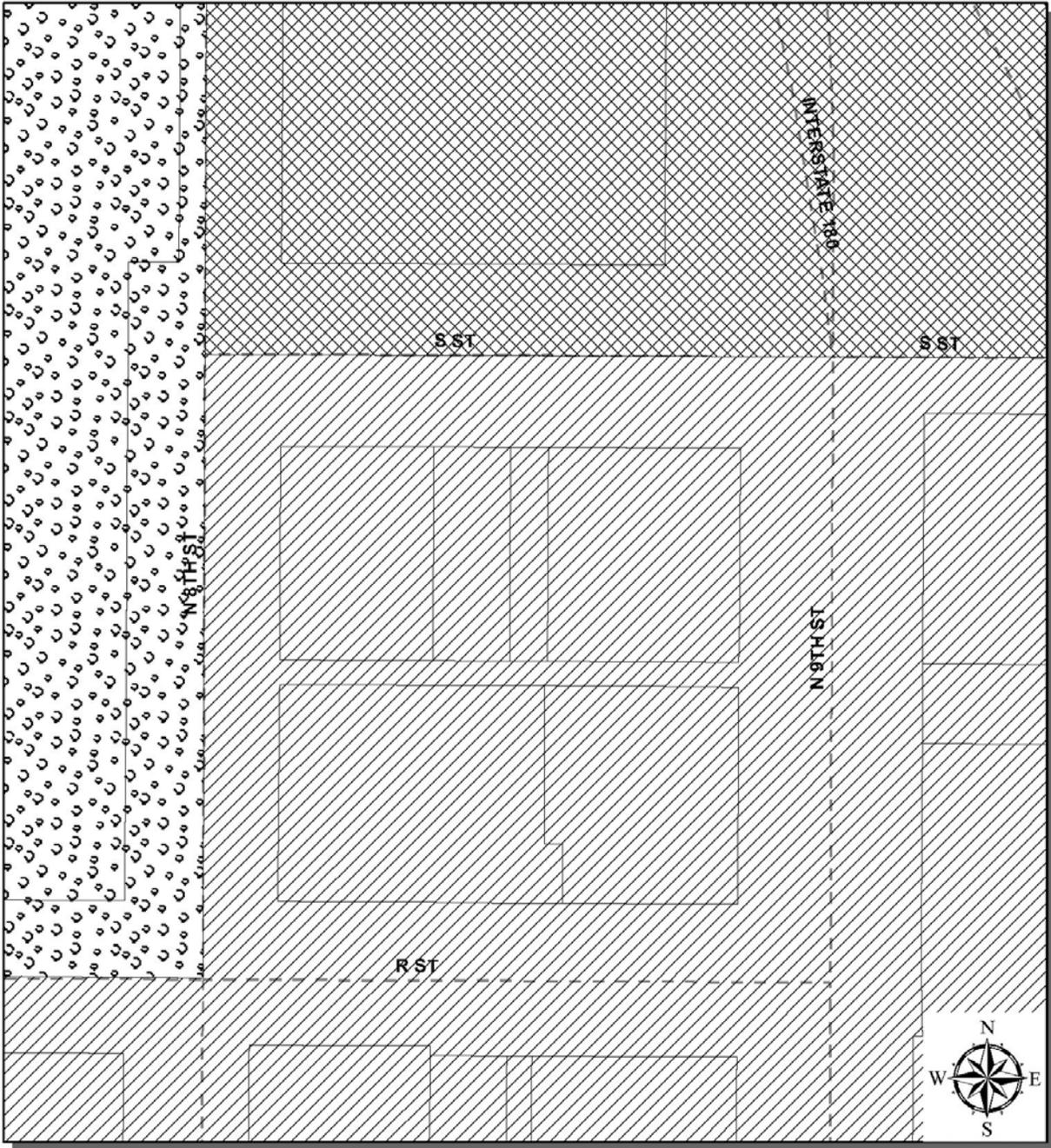


Exhibit IV - 140

North Haymarket Arts & Humanities Center Redevelopment Project Area Current Zoning

- North Haymarket Arts & Humanities Center Redevelopment Area
- B-4
- I-1
- P
- Streets

City of Lincoln
Urban Development GIS
Revised 07/07/2008
(re-platted parcels shown)

Public investment may assist in acquisition, site preparation/remediation, and public improvements throughout the project area. Those improvements are likely to include the relocation of public utilities and any related improvements.

4. Funding Sources

The source of public funds for these improvements will be Community Improvement Financing, estimated to be \$254,000, generated from the private developments within the project area.

5. Implementation Steps

Under Nebraska Community Development Law, the first step in the redeveloping an area is for the City to declare the area blighted and substandard and in need of redevelopment and revitalization. The Lincoln City Council completed this first step by declaring the Downtown Area, including the proposed redevelopment area, blighted on October 22, 1984, and affirmed by resolution on October 19, 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).

Implementation steps for the Sawmill Redevelopment Project :

- Negotiate Redevelopment Agreement with the developers of the Sawmill Redevelopment Area.
- Issue and sell Community Improvement Financing bonds or notes, if needed.
- Select engineers pursuant to city standard practice to design public improvements.
- Approve the public improvement design.
- Competitively select primary contractor to construct public improvements.
- Construct public facilities and improvements.