



SOUTH FOLSOM REDEVELOPMENT PLAN

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South Folsom Redevelopment Plan

INTRODUCTION

The *South Folsom Redevelopment Plan* is a guide for redevelopment activities within the Redevelopment Area. Exhibit 1 illustrates the location of the area within the broader context of the City of Lincoln. The Redevelopment Area is located on the east side of South Folsom Street, south of West Pioneers Boulevard in Lincoln, Nebraska. The Redevelopment Area contains approximately 53.51 acres: Lot 48 and Lot 65, Irregular Tracts, East Half (E½) of Section 10, Township 9 North, Range 6 East, of the 6th P.M., Lancaster County, Nebraska plus ROW.

The redevelopment area is largely vacant and underdeveloped, lacking sanitary and storm sewer, sidewalks, and streets; however, it is a priority area for development in the City of Lincoln and is reflected as such in PlanForward, the 2050 Comprehensive Plan for the City of Lincoln-Lancaster County. As a result of these conditions, a *Blight and Substandard Determination Study* was completed in July 2021 by Hanna: Keelan Associates. The Study concluded that the number, degree, and distribution of blight and substandard factors warrant designating the area blighted and substandard. The City recognizes that continuing blight and deterioration is a threat to the stability and vitality of the Redevelopment Area and that revitalization efforts cannot reasonably occur without public action since the private sector would not undertake the redevelopment of this area on its own. The South Folsom Redevelopment Plan represents the City's efforts to guide public and private redevelopment of the area.



Exhibit 1: South Folsom Redevelopment Area: Area Context

 South Folsom
  City of Lincoln



PLAN REQUIREMENTS

Redevelopment activities are guided by the Nebraska Community Development Law, Neb. Rev. Stat. §§ 18-2101 through 18-2154, as amended (the “Act”). The statutes dictate the governing body must first declare the project area substandard and blighted before preparing a Redevelopment Plan for the designated Redevelopment Area.

The City of Lincoln has authorized its Urban Development Department to act as the community redevelopment authority within the meaning of Section 18-2101.01 of the Act. The Urban Development Department has formulated, for the City of Lincoln, a workable program utilizing appropriate private and public resources to:

- Eliminate or prevent the development or spread of urban blight;
- Encourage needed urban rehabilitation;
- Provide for the redevelopment of substandard and blighted areas, including provision for the prevention of the spread of blight into areas of the municipality which are free from blight through diligent enforcement of housing, zoning and occupancy controls and standards;
- Rehabilitate or conserve substandard and blighted areas or portions thereof by re-planning, removing congestion, providing parks, playgrounds, and other public improvements by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; and
- Clear and/or redevelop substandard and blighted portions thereof.

The Act defines a “Redevelopment Plan” as “a plan, as it exists from time to time for one or more community redevelopment areas, or for a redevelopment project, which (a) conforms to the general plan for the municipality as a whole and (b) is sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the community redevelopment area, zoning and planning changes, if any, land uses, maximum densities, and building requirements.” Neb. Rev. Stat. §18-2103(13).

Section 18-2111 of the Act defines the minimum requirements of a redevelopment plan as follows:

A redevelopment plan shall be sufficiently complete to indicate its relationship to definite local objectives as to appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities and other public improvements, and the proposed land uses and building requirements in the redevelopment project area...

Section 18-2111 of the Act also outlines six elements that must be included in all redevelopment plans:

1. The boundaries of the redevelopment project area, with a map showing the existing uses and condition of the real property therein;
2. A land-use plan showing proposed uses of the area;
3. Information showing the standards of population densities, land coverage, and building intensities in the area after redevelopment;
4. A statement of the proposed changes, if any, in zoning ordinances or maps, street layouts, street levels or grades, or building codes and ordinances;
5. A site plan of the area; and

6. A statement as to the kind and number of additional public facilities or utilities which will be required to support the new land uses in the area after redevelopment. Any redevelopment plan may include a proposal for the designation of an enhanced employment area.

In making its recommendation to approve this plan, the Urban Development Department considered the land uses and building requirements and determined they are in accordance with the general plan for redevelopment of the City and represent a coordinated, adjusted, and harmonious development of the city and its environs. These determinations are in accordance with:

- present and future needs to promote health, safety, morals, order, convenience, prosperity;
- the general welfare; and
- efficiency and economy in the process of development.

Factors considered in the determination include, but are not limited to:

- adequate provision for traffic, vehicular parking;
- the promotion of safety from fire, panic and other dangers;
- adequate provision for light and air;
- the promotion of the healthful and convenient distribution of population;
- the provision of adequate transportation, water, sewerage, and other public utilities;
- schools, parks, recreational and community facilities, and other public requirements;
- the promotion of sound design and arrangement;
- the wise and efficient expenditure of public funds; and
- the prevention of the recurrence of insanitary or unsafe dwelling accommodations or conditions of blight.

EXISTING CONDITIONS

Land Use

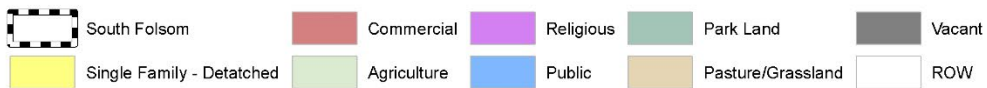
The Area is comprised of approximately 53.51 acres. Located in far southwestern Lincoln, adjacent to Highway 77 and Pioneers Boulevard, it includes a quasi-public use (Hope Community Church), vacant/undeveloped land and associate public streets and rights-of-way.



Photo Credit – Hanna:Keelan Associates, P.C



Exhibit 2: South Folsom Redevelopment Area: Current Land Use



Zoning

The area is currently zoned R-4 Residential. According to Title 27 of the Lincoln Municipal Code, R-4 “...is intended to provide a stable area of residential use at a gross density in the range of three to five units per acre. It is anticipated that some redevelopment will occur in this district. The use of the district includes single- and two-family dwellings, plus support facilities, such as schools, parks, community buildings, and places of religious assembly.” A Planned Unit Development (PUD) overlays the underlying R-4 zoning which permits the development of complementary commercial uses to provide neighborhood services.

A PUD with an R-4 zoning underlay allows for approximately 13 units per acre. The R-4 zoning district permits a higher density of units per acre for the development of affordable housing, increasing up to 25% for an excess of 17 dwelling units per acre.



Exhibit 3: South Folsom Redevelopment Area: Current Zoning

 South Folsom  Zoning



Parks & Recreational Facilities and Trails

No parks are located within the Redevelopment area; however, Wilderness Park is located approximately one mile away. At 1,472 acres, Wilderness Park is the City's largest park. As its name implies, the park is a natural area that straddles the Salt Creek floodplain and stretches from Van Dorn Street on the North to Saltillo Road on the South. No trails are in the Redevelopment Area, although the Jamaica North trail traverses along the eastern edge of Wilderness Park.



Photo Credit – Hanna:Keelan Associates, P.C.

Two private recreational facilities are located near the Redevelopment Area: The Optimist Youth Sports Complex hosts four baseball fields and is located south of the redevelopment area on the east side of Folsom Street. The YMCA's Wright Park is located north of the Redevelopment area on the west side of Folsom Street. The facility hosts youth baseball, softball, T-ball, soccer, and flag football leagues.

Transportation

Access to the Redevelopment Area is via Pioneers Boulevard on the north then South on Folsom, and Old Cheney on the

south, then north on Folsom. No traffic counts are available for the Redevelopment Area but range from approximately 5,000 to 7,000 vehicles a day on other stretches of South Folsom. South Folsom Street is in good condition with a of 40 mph speed limit.

Within the Redevelopment Area there are no sidewalks or internal road network. The lack of sidewalks is a hindrance to pedestrians and forces pedestrians to walk directly along South Folsom Street, which is a safety risk. The area is not currently served by Star Tran, Lincoln's public transit system.

Public Utilities

The Area lacks modern, municipal storm and sanitary sewer systems. To support redevelopment activities in the Redevelopment Area, the installation of storm and sanitary sewer mains meeting current standards will be required. The sanitary sewer service will be available when the main line is extended to the Redevelopment Area from its current location to the south of Old Cheney. Providing adequate sewer services will support community health, safety and reduce the risk of sanitary issues in the Redevelopment Area.

The Redevelopment Area has ready access to public water mains. Water distribution systems in the Area were installed in 2007 and are in a "good condition", based upon performance and break history.

The Redevelopment Area is a relatively flat. Storm water discharge from redevelopment will need to be managed on site with the installation of a detention facilities.

Historical Significance

According to the Comprehensive Plan, the Redevelopment Area is not situated within any historic district.

Blight and Substandard Determination Study

A Redevelopment Project in Lincoln may be eligible for tax increment financing under the Nebraska Community Development Law if the project is in an area designated as “blighted” and “substandard”, as those terms are defined in the Community Development Law. The Blight and Substandard Determination Study for the South Folsom Redevelopment Area was conducted to determine whether existing conditions warrant designation of the South Folsom Redevelopment Plan Area as blighted and substandard in accordance with the Act.¹

Hanna: Keelan Associates, P.C. (the “Consultant”) conducted the Blight and Substandard Determination Study for the South Folsom Redevelopment Area in July 2021. The Blight Study examined each of the factors identified in the statutory definitions of “blight” and “substandard” to determine whether each were present in the Redevelopment Area, and if so, to what extent.



The Consultant concluded that the number, degree and distribution of blight and substandard factors in the Redevelopment Area, as documented in the Blight Study, are beyond remedy and control solely by regulatory processes in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aid provided in the Act. Further, the Consultant concluded that the findings of the Blight Study warrant designating the South Folsom Redevelopment Area as blighted and substandard. The Lincoln City Council concurred and, by resolution, declared the South Folsom Redevelopment Area Blighted and Substandard on February 14, 2022.

Photo Credit – Hanna:Keelan Associates, P.C

REDEVELOPMENT PLAN

PlanForward 2050: Guiding Principles

PlanForward is the Lincoln-Lancaster County 2050 Comprehensive Plan. The Plan embodies Lincoln and Lancaster County's shared vision for the future, out to the year 2050. The Lincoln-Lancaster County 2050 Comprehensive Plan is a roadmap to “plan forward,” not only in time, but in concept, to envision a community that is Thriving, Livable, Equitable,

¹ The South Folsom Blight and Substandard Determination Study also included analysis of property to the West of South Folsom Street that is not included in this South Folsom Redevelopment Plan Area at this time.

Innovative, and Resilient. These five themes are found throughout the Plan and build the long-range vision for our One Community.

This Redevelopment Plan adopts and incorporates the Comprehensive Plan insofar as it relates to the Redevelopment



Area, including, Goals, Policies, and Action Steps for Safe, Affordable, and Accessible Housing, Housing Affordability, Complete

Photo Credit – Hanna:Keelan Associates, P.C.

Neighborhoods, Developing Neighborhoods, Equity and Inclusion, and Healthy, Active and Connected People. These Comprehensive Plan elements are used as a guide for redevelopment of the Redevelopment Area and are cited directly from PlanForward: Lincoln-Lancaster County 2050 Comprehensive Plan:

Goal 1: 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.

Policy 1: Housing Affordability: Make available a safe residential dwelling for all residents.

Action steps:

- 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.
- Distribute and preserve affordable housing throughout the community to be near job opportunities and public transit and to provide housing choices within existing and developing neighborhoods.
- Encourage public/private partnerships with housing entities such as Lincoln Housing Authority, Affordable Housing Initiatives, Habitat for Humanity, and NeighborWorks Lincoln.
- Preserve the existing affordable housing stock, increase the supply of affordable owner and renter units, and add more variety in housing types.
- Support development of an Affordable Housing Consortium to build strategic partnerships, develop a shared vision, and create a funding mechanism for shared risk as essential components for creating new housing product types and lower price-points.

Goal 2: Complete Neighborhoods. Lincoln and Lancaster County will support complete neighborhoods within both developing and redeveloping areas of Lincoln.

Policy 3: 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:

- 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.
- Implement elements of Complete Neighborhoods for Developing Areas.
- Encourage public and private investment in neighborhood infrastructure and services to support economic diversity that improves the quality of life for all residents.
- Include housing for a variety of incomes and households throughout the community that is integrated into neighborhoods and provides appropriate transitions, scale, and context.
- Promote mixed-income neighborhoods.
- Promote neighborhood and community design that supports healthy and active lifestyles., such as the benefits of street trees.
- Examine current residential zoning districts and propose modifications to encourage ‘missing middle’ units (single-family attached, cottage courts, townhomes, live-work, and a variety of three- and four-plex configurations), including affordable units, to people with a range of incomes. Neighborhood edges in particular present an opportunity for missing middle housing.
- 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.

Goal 5: Equity and Inclusion. Lincoln and Lancaster County will establish equity - regardless of race, ethnicity, gender, country of origin, religion, age, economic status, or zip code - as a core principle in the planning, decision-making, and policy development processes.

Goal 6: Healthy, Active, and Connected People. Lincoln and Lancaster County will be a healthy community that continuously creates and improves both its physical and social environments where every person is free to make choices amid a variety of healthy, available, accessible, and affordable options.

South Folsom Redevelopment Activities

The redevelopment activities to be undertaken in the Redevelopment Area will be identified as Redevelopment Projects occur. The first proposed redevelopment project in the Redevelopment Area is identified and described in the attached [Appendix 1](#).

Future Land Use

The future land use of the Redevelopment Area, as set forth in the Comprehensive Plan, is primarily urban density residential; see Exhibit 4, Future Land use.

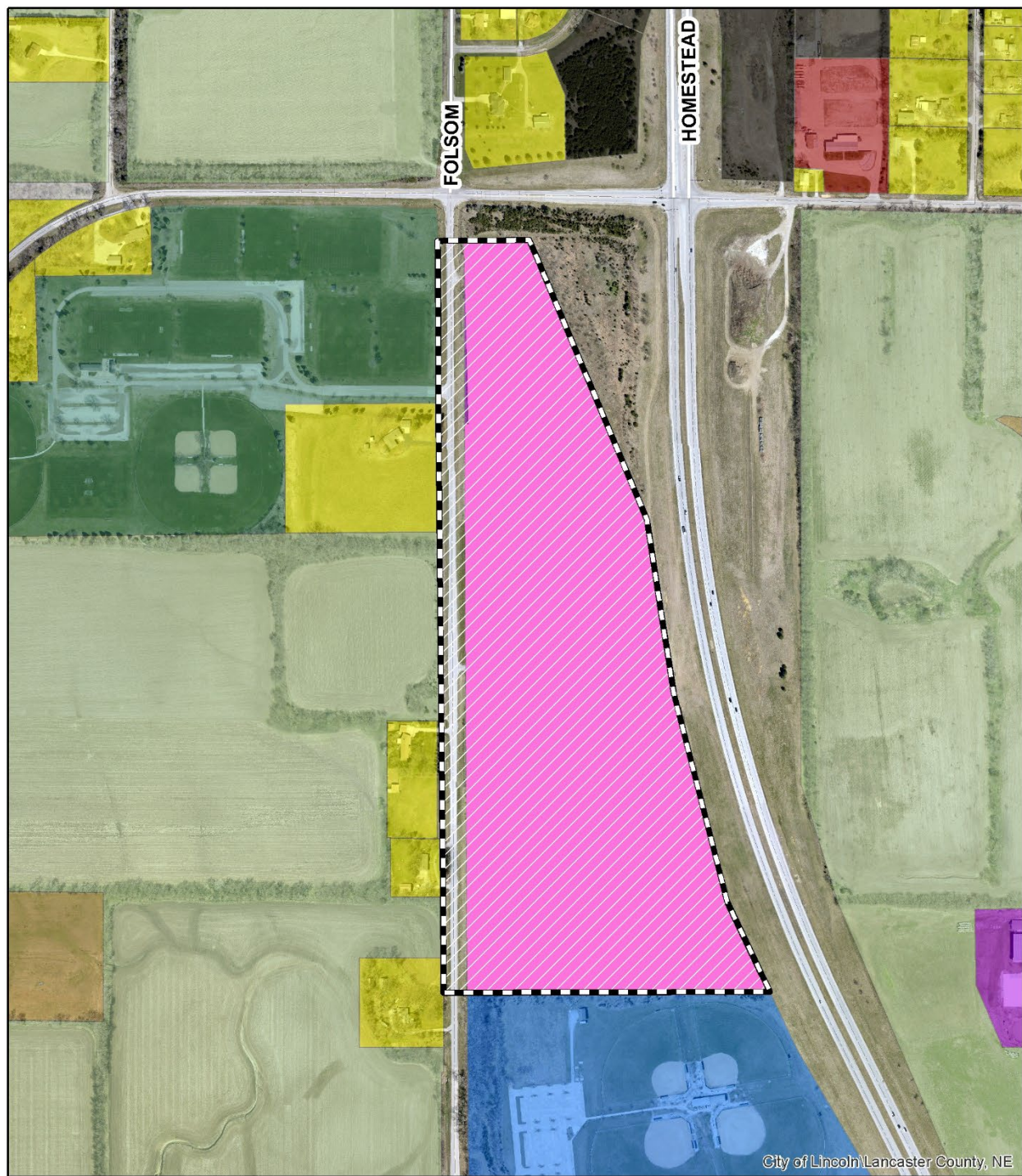


Exhibit 4: South Folsom Redevelopment Area: Future Land Use



Redevelopment Process

Construction of public improvements and other redevelopment activities in the Redevelopment Area may require: construction easements; vacation of street and alley rights-of-way; temporary and permanent relocation of families, individuals and businesses; demolition; disposal/sale of property; and site preparation (may include driveway easements, paving driveways, approaches and sidewalks outside property line, relocation of overhead utilities lines, and rerouting/upgrading of underground utilities, as needed). The processes for these redevelopment activities are as follows:



- Property Acquisition. The City may acquire the necessary fees, easements, property and covenants through voluntary negotiations. The City of Lincoln Land Acquisition Policy Statement is on file at the Urban Development Department, 555 S. 10th Street, Suite 205, Lincoln, NE 68508. However, if voluntary agreement is not possible, the City may institute eminent domain proceedings.

Photo Credit – Hannah Keelan: Associates P.C.

- Relocation. Relocation may involve the temporary or permanent relocation of families, individuals or businesses to complete redevelopment activities within the Redevelopment Area. Relocation will be completed in accordance with local, state, and federal relocation statutes and regulations. The City of Lincoln Relocation Assistance Manual is available on the City of Lincoln website: www.lincoln.ne.gov, keyword: “relocation”, and available in printed form in the office of the Urban Development Department, 555 S. 10th Street, Suite 205, Lincoln, NE.
- Demolition. Demolition will include clearing sites on property proposed for public improvements; capping, removing or replacing utilities; site preparation; securing insurance and bonds; and taking other necessary measures to protect residents and surrounding properties. Measures to mitigate environmental findings may also be necessary, if determined by site testing.
- Disposal/Disposition. Redevelopment projects may include the sale of land to private developers for redevelopment purposes. Developers will be selected in an equitable, open and competitive proposal process.
- Requests for Proposals. Architects and engineers will follow the City’s standard selection processes to design the public facilities and improvements. Primary contractors will also be competitively selected.

Estimated Expenditures

Estimates of the costs associated with each redevelopment project will be determined as projects occur, and a cost-benefit analysis for each redevelopment project will be conducted to determine the costs and the benefits of the proposed project prior to implementation. Necessary public improvements will be prioritized and constructed as tax increment financing dollars are generated.

Conformance with Comprehensive Plan

This Redevelopment Plan was developed in accordance with, and is consistent with, PlanForward: Lincoln-Lancaster County 2050 Comprehensive Plan.

Financing

The private sector will provide primary financing for revitalization of the Redevelopment Area. The City of Lincoln shall participate where necessary in the redevelopment process, including to provide public services and public improvements. However, the scope of the work necessary to eliminate blight and substandard conditions in the Redevelopment Area is beyond the City's capacity to accomplish alone. Financing of proposed improvements will require participation by both the private and the public sectors. Where appropriate, the City may participate by providing financial assistance for rehabilitation of structures.

Redevelopment projects undertaken in the Redevelopment Area will be subject to the limits and sources of funding authorized and approved by the Mayor and the City Council. According to the Act, any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen (15) years after the effective date as identified in the project redevelopment contract or in the resolution of the authority authorizing the issuance of bonds pursuant to the Act, as follows:

- That portion of the ad valorem tax which is produced by the levy at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body ("Base Tax Amount"); and
- That portion of the ad valorem tax on real property, as provided in the redevelopment contract or bond resolution, in the redevelopment project in excess of the Base Tax Amount, if any, shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the 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 authority for financing or refinancing, in whole or in part, the redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness, including interest and 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.

Appendix 1: Foxtail Meadows Redevelopment Projects

Projects Description

The Foxtail Meadows Redevelopment Projects (the “Projects”) includes the redevelopment and rehabilitation of approximately 53.51 acres surrounding Hope Church located south of Pioneers Boulevard on the east side of South Folsom Street, as depicted on the Project Areas Exhibit, below.



Exhibit 1: South Folsom Redevelopment Area: Project Area

 South Folsom Project
  South Folsom Redevelopment Area
Phases
 1A
 1B
 1C



The goal of the Projects is to revitalize and strengthen the residential community in the Project Area by providing affordable residential dwelling units through the redevelopment of existing underutilized real property located in a targeted growth area of Lincoln which currently lacks the full infrastructure required for development. The Projects in their entirety will consist of multiple sub-projects, which are expected to be financed through a combination of Low Income Housing Tax Credits (LIHTC), conventional financing mechanisms, and other available state and federal programs. Housing that is restricted by affordability limitations will be integrated with workforce (market rate) housing in a collective neighborhood. By meeting the programmatic design of these financing mechanisms, this neighborhood will consist of housing opportunities targeted to households between 40% and 120% of area median income and will provide a variety of neighborhood amenities such as playgrounds, community gardens, and green space.

The design of the neighborhood incorporates a variety of housing types and consumption options, with commercial space and amenities integrated throughout. Through a layering of financing programs, the Projects will consist of income and rent restricted housing as well as market rate housing, with rental and ownership options for both. The Project will utilize a variety of housing typologies, many of which are currently referred to as “Missing Middle” housing, including small lot single family homes, attached single family townhomes, and 3-story multifamily structures. Interspersed among the different housing projects will be collectively shared greenspace and amenities, as well as a central commercial area feature including both Hope Church and a commercial pad-site.

The Projects will include partnerships between both public and private entities, including affordable ownership opportunities in collaboration with Nebraska Housing Resources, a 501 (c)(3) agency focused on affordable and workforce housing, land acquisition gap financing provided by Lincoln Community Foundation, a design collaboration with Hope Community Church, and conventional financing sources from community banking institutions. This Plan is a candidate for financing from Community Development Resources, a CDFI, which has expressed interest in so financing. Collectively, the financing programs and housing types enable the Projects to increase the variety of housing options for home purchasers and renters in the affordable housing market of Lincoln targeted to affordable and workforce housing. Workforce housing is as defined in Neb. Rev. Stat. §81-1228 (10)(c) NRS.

The Projects are notable in that they provide affordable housing outside of the historic Lincoln core and will develop an area with significant supportive infrastructure for future residents. The location is immediately proximate to recreational amenities such as Wright Park and the Optimist Youth Sports Complex. The site plan calls for a convenience store in the center of the development which, in addition to the Hope Community Church, will comprise the commercial core to the development. The location of this project is in a census tract recognized by diversitydatakids.org as scoring “Very High” on its Overall Child Opportunity Index and is near land owned by Lincoln Public Schools for a future elementary school. Finally, the Redevelopment Area is within 10 minutes of Downtown Lincoln and significant employment opportunities within the community. The location presents an excellent opportunity to distribute affordable housing throughout the city of Lincoln, while ensuring significant supportive resources and amenities to the new neighborhood.

The Project Area is largely vacant, located adjacent to and surrounding the Hope Reformed Church. See Exhibit 2, Existing Land Use on page 6.

In conjunction with annexation, the Plan Area underwent a zone change from Agriculture into a residential neighborhood, “R-4” Residential zoning classification coupled with a Planned Unit Development (PUD) Overlay to permit the development of the complementary commercial uses to provide neighborhood services in this mixed-use redevelopment project. In addition to the annexation and change of zone, the Redeveloper will request some waivers to facilitate the density necessitated by the plan.

The South Folsom Redevelopment Area is identified in PlanForward, Lincoln-Lancaster County 2050 Comprehensive Plan as an area for future growth of the City of Lincoln. The Future Land Use Map identifies the Plan Area to be residential – urban density with the northern most portion identified as commercial. The development of the Plan Area into a residential neighborhood of up to 650 units targeted to workforce housing and housing for persons 60% of Area Median Income and below but with some commercial uses to service the livability of the neighborhood is consistent with PlanForward.

The residential land uses will be affordable and medium density to permit a higher dwelling unit count for affordability purposes. The R-4 zoning district permits 13.93 dwelling units per acre with the PUD which can be increased by up to 25% for the encouragement of affordable housing, allowing more than 17 dwelling units per acre. The conceptual design of the initial development contemplates up to 650 multifamily, rowhome, townhome, and single family detached housing units. The entire Foxtail Meadows Redevelopment Area is 47.25 Acres so the site accommodates up to 650 units under an R-4 PUD, without considering the density bonus related to affordability.

As depicted on the project site plan, the Area will have a pedestrian trail located in the neighborhood for the use of the projects' residents.



Site Plan
Folsom Development
06.17.21

daa

The Projects envision a central community gathering area adjacent to the Church, and green spaces and “pocket parks” integrated throughout the development, including a detention facility which will capture the storm water drainage, and a community park.

The Projects will contain areas for community gardens for resident use and a playground area and outdoor recreation for younger residents.

The infrastructure for the Plan Area requires improvements. The Plan Area borders Highway 77 on its eastern edge which is a controlled-access Nebraska highway and does not permit any access points or drive connections. The principal access points for the Projects will be on South Folsom Street on the West side of the Plan Area. The first phases of the Projects will require some transportation improvements including turn lanes to accommodate the increase of traffic to the access points onto South Folsom Street and perhaps a round-about adjacent to the commercially designed areas of the Projects.

Further, the nature of the Projects and its residents suggest that when built out the neighborhood should be served by public transportation to shopping, public services and schools.

The Projects will consist of multiple separate and distinct but related housing clusters plus a small commercial area to provide services to this planned neighborhood. The project areas will be developed in two (2) phases, with eight (8) distinct sub-phases. The Site Plan depicts the conceptual layout of the various phases of the Projects describing housing types, the small area intended for a neighborhood convenience store and coffee shop. The site plan depicts the location of the park which may include a public pavilion and a dog park along with a playground for neighborhood families.

Phase Plan with Subphases Delineated

The sub-phases will likely be developed over a period of time as each sub-phase is absorbed by the market and occupied by affordable housing tenants and owners. The precise timing of each sub-phase will be governed by a series of Redevelopment Agreements which will apply to a given sub-phase or a combination of sub-phases, such that each sub-phase or sub-phases will have an independent “Effective Date” under the Redevelopment Agreement or amendment. This will govern the division period for the capture of the incremental taxes for purposes of paying for eligible public improvements with tax increment financing. Currently, the Phasing Plan is intended to cover the first three (3) subphases as summarized below:

Phase 1:

- Sub-Phase 1a: Consists of 131 units of multifamily and townhome dwellings expected to be financed in a 4% LIHTC bond execution and restricted to families with incomes below 60% Area Median Income. This project has an allocation of private activity bond cap which is a predicate for such a project.
- Sub-Phase 1b: Includes up to 35 townhome dwellings expected to be financed using a 9% LIHTC execution and restricted to families with incomes below 60% Area Median Income.
- Sub-Phase 1c: Comprised of up to 29 small lot single family detached units to be financed in a combination of Nebraska Affordable Housing Trust Funds and conventional financing or Missing Middle Workforce Housing Grant funds and conventional financing.

The foregoing description reflects the Redevelopers’ vision currently and may be amended as projects and phases develop. Each sub-phase will be a separate redevelopment agreement outlining the provisions of the phase and the uses of funds. For any sub-phase that does not directly include affordable housing financed through the Low Income Housing Tax Credit program or similar program that results in affordable housing restrictions, the uses of Tax Increment

Financing will be directed in such a way as to support affordable housing, and not uses that do not incorporate affordable housing.

Statutory Elements

- **Property Acquisition, Demolition, and Disposal:** The City does not intend to acquire property, nor would the City use eminent domain if the City did acquire property for this project. The proposed redeveloper currently controls the Project Area. The total project area consists of approximately 53.51 acres which includes approximately 14 acres located surrounding the Hope Reformed Church. The land is owned by the church but under an Option Agreement with the Redeveloper. The Redeveloper has worked closely with the church to arrive at a redevelopment plan and site plan which is approved by the Hope Reformed Church.
- **Population Density:** The total number of dwelling units is likely to be approximately 610 units on the entire 47.25 acres contemplated in the PUD. The aggregate density of the entire project is approximately 13 dwelling units per acre which is consistent with the proposed zoning classification described above including the density bonus permitted for affordable housing under the Design Standards applicable to the zoning ordinance.
- **Land Coverage:** Land coverage will increase as the Project Site is currently vacant but for the Hope Reformed Church, which is not part of the redevelopment Projects. The Projects will include the construction of the dwelling units and parking. The Project will comply with the applicable land-coverage ratios of the zoning requirements of the City of Lincoln.
- **Traffic Flow, Street Layouts, and Street Grades:** The entire Project is located south of West Pioneers Boulevard and east of South Folsom Street. All access for the Projects is from South Folsom Street as depicted on the Site Plan. The Projects will have interior streets sufficient to provide coordinated circulation within the various areas.
- **Parking:** The redeveloper will construct sufficient parking within each area to accommodate the needs of the residents and their guests. The aggregate parking ratio will comply with the standard of 1.5 stalls per dwelling unit. The Site Plan reflects the number of parking stalls being developed with each development area.
- **Zoning, Building Code, and Ordinances:** The Project Site is currently zoned R-4 with a PUD overlay. All applicable building code requirements and ordinances will be satisfied. The Project will require the Project Site to be subdivided to facilitate the phasing plan and the absorption of the dwelling units by the market.

Proposed Cost and Financing

The total cost to implement the Project is anticipated to be up to an estimated \$100,000,000 comprised of 50 single family homes at \$275,000 per unit, 550 multifamily units at \$150,00 per unit, with \$3,750,000 for the commercial buildout. The Projects are expected to generate \$10,000,000 in tax increment financing. Each Phase will be financed differently depending on the various sources of funding. For example, Phase I is proposed to have Low Income Housing Tax Credit components which shall require an allocation from the Nebraska Investment Finance Authority. The project cost for each Phase will be finalized as construction costs are determined. The source of the public funds for the eligible public improvements will be the tax increment generated from the private developments of the individual Phases. However, funding sources and uses will be negotiated and identified in the redevelopment agreements, subject to approval by the Mayor and City Council.

Cost Benefit Analysis

As required by the Nebraska Community Development Law (Neb. Rev. Stat. § 18-2113), the City has analyzed the costs and benefits of the proposed Project, as follows:

- Public Tax Revenues:

Phase 1a- Foxtail Meadows Redevelopment Project		Amount
(a) Base Value		\$379,000
(b) Estimated New Assessed Value		\$9,825,000
(c) Increment Value	$= (b) - (a)$	\$9,446,000
(d) Annual TIF Generated (Estimated)	$= (c) \times 2.0129860\%$	\$190,348
Funds Available	$= (d) \times 14 \text{ years @ } 5.0\%$	\$1,884,184

The subsequent phases are anticipated to be comprised of the following economics. This amount for Phase 1a assumes a certain interest rate and current pricing of construction. To give the Redeveloper some latitude, the Plan authorizes tax increment financing in an amount not to exceed the sum of Two Million Two Hundred Fifty Thousand and No/100 Dollars (\$2,250,000). However, as the subsequent phases move forward in development, it is probable that this Redevelopment Plan will require amendment to update and confirm the project costs for the individual phases:

Phase 1b- Foxtail Meadows Second Redevelopment Project		Amount
(a) Base Value		Amount
(b) Estimated New Assessed Value		\$120,000
(c) Increment Value	$= (b) - (a)$	\$2,625,000
(d) Annual TIF Generated (Estimated)	$= (c) \times 2.0129860\%$	\$2,505,000
Funds Available	$= (d) \times 14 \text{ years @ } 5.0\%$	\$534,577

This amount for Phase 1b assumes a certain interest rate and current pricing of construction. To give the Redeveloper some latitude of the structure of the financing, the Plan authorizes tax increment financing in an amount not to exceed the sum of Six Hundred Forty Thousand and No/100 Dollars (\$640,000).

Phase 1c- Foxtail Meadows Third Redevelopment Project		Amount
(a) Base Value		\$200,000
(b) Estimated New Assessed Value		\$7,795,000
(c) Increment Value	$= (b) - (a)$	\$7,775,000
(d) Annual TIF Generated (Estimated)	$= (c) \times 2.0129860\%$	\$156,675
Funds Available	$= (d) \times 14 \text{ years @ } 5.0\%$	\$1,840,102

This amount for Phase 1c assumes a certain interest rate and current pricing of construction. To give the Redeveloper some latitude for the financing, the Plan authorizes tax increment financing in an amount not to exceed the sum of Two Million Two Hundred Thousand and No/100 Dollars (\$2,200,000).

Nebraska law contains a statutory prescribed valuation method for LIHTC projects which results in a tax liability based on the restricted rental structure. This will result in an increase in estimated annual property tax collections during the 15-year TIF period of approximately \$935,000 which will be available to finance the costs of construction of public improvements related to the Project. The public investment of approximately \$9,257,000 in TIF funds will leverage the private sector investment of approximately \$38,500,000 for a private investment of \$4.16 for every TIF dollar spent.

The Urban Development Department believes that the private and public improvements proposed in this plan 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 barrier to development that cannot be remedied without the use of tax increment financing. Housing at the price points intended for workforce and low-income occupants cannot be built without community collaboration, cooperation, and participation. The use of tax increment financing is one of the ways the City is participating in the development as well as improvements to South Folsom and bringing sanitary sewer to the property.

Public investment may assist with the costs of site acquisition, site preparation and grading, infrastructure improvements including utilities, water, sewer, storm sewer, storm water detention, interior streets, energy efficiency enhancements, landscaping in the right-of-way, and other public improvements and enhancements permitted under the Community Development Law.

- **Public Infrastructure and Community Public Service Needs Impacts:**

It is not anticipated that the Project will have an adverse impact on existing public infrastructure. In fact, the Project involves the capture of the incremental tax revenues for installation of utilities and other public infrastructure improvements in the Foxtail Meadows Redevelopment Plan Area. It is not anticipated that the Project will have an adverse impact on City services, but instead will generate additional revenue providing support for those services.

- **Employment within the Redevelopment Project Area:**

It is not anticipated that the Project will have an adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the Project. It is anticipated that the construction of the Project will create jobs and the low-income housing will provide lower income workers new safe and secure housing.

- **Employment in the City outside the Redevelopment Project Area:**

The anticipated job creation resulting from the construction of Projects on the Project Site is not expected to adversely affect employment in the city outside the Redevelopment Project Area. Instead, the removal of blight and substandard conditions from the Project Site and the Foxtail Meadows Redevelopment Area is

anticipated to enhance southwest Lincoln and by the creation of around 310 units of low-income housing helping to meet the low-income housing goals of the City of Lincoln as a whole. In addition, the Projects will add around 300 workforce units.

- **Impacts on the student populations of school districts within the City:**

It is not anticipated that the Project will have a material adverse impact on the student populations of the school district within the city. According to statistics from the National Association of Home Builders, the average number of children in renter occupied and owner-occupied units consistent with the types proposed in this Plan in Nebraska is approximately 10.3 children per 100 units and 56.7 children per 100 units, respectively. Therefore, approximately 60 children can be anticipated living in all phases of the project. The school district should have the capacity to handle the population increase from the Project.

The school district will not receive taxes from the projects built during the time the increased taxes are utilized to pay the TIF indebtedness. The school district has received state aid to education in the past. Part of the school aid formula

involves assessed valuation in the school district. The valuation that generates the TIF payments is not included in the formula and does not count against the state aid that the school district would receive. Taxes on any increase in the base value of the land will benefit the school district. After the TIF Indebtedness is paid, or at the end of the respective 15 years of division of taxes, whichever is sooner, the increased valuation from the residential construction will be available to the school district.

- **Other Impacts:**

The development of the Project Site will eliminate the existence of blight and substandard conditions and will attract residents and businesses to the South Folsom Redevelopment Area and the City of Lincoln. The Project is consistent with the policy of PlanForward 2050 and the Affordable Housing Coordinated Action Plan.

The Project should have a positive impact on private sector businesses in the Foxtail Meadows Redevelopment Area and in the city and will attract additional private investment in and around the Southwest quadrant of the city. As noted in the Lincoln Affordable Housing Coordinated Action Plan, the lack of affordable and workforce housing is a detriment to Lincoln's economic growth.

While the use of tax increment financing will defer receipt of a majority of the incremental ad valorem real property taxes generated by the Project for up to 15 years, there will be additional revenue generated by the Project from, for example, sales tax paid by the businesses and residents of the Project. Upon completion of the TIF period, the Project will benefit the community through higher property tax revenue while maintaining its low-income housing target for 30 years.

The Project is in accord with and promulgates the Lincoln Affordable Housing Coordinated Action Plan, and is specifically aligned with the recommendations in the following ways:

- It aligns with the 6 takeaways within "Chapter 3: Issues and Opportunities". The Project will include a significant number of housing units financed through the Low Income Housing Tax Credit program, as well as other Federal and State programs that support affordable housing development (Chapter 3, Takeaway #3). Further, as discussed, it expands the available housing options through the provision of multiple types of housing, including many housing types commonly referred to as "missing middle", and thereby increasing market mobility at a variety of price points (Chapter 3, Takeaway #4). Using Tax Increment Financing, gap financing from the Lincoln Community Foundation, and City infrastructure financing mechanisms, it is consistent with "Strategies for sharing risk in the development of affordable housing" (Chapter 6, Takeaway #5).
- It aligns with the strategies outlined in "Chapter 4: A Path Forward". It will represent a layering of strategic partnerships between the City of Lincoln, service providers, nonprofit housing organizations, philanthropic entities, and the lending community ("Chapter 4: Build Strategic Partnerships"). In addition, it demonstrates risk sharing through a combination of philanthropic mission oriented finance, private finance, tax increment financing, and other public infrastructure financing support, consistent with ("Chapter 4: Create Mechanisms to Share Risk"). And finally, it anticipates delivering up to 660 affordable housing units and increases the number of Low Income Housing Tax Credit (LIHTC) units by sharing the cost of land development ("Chapter 4: Expand the Number of Affordable Units").



Overall view looking North

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