

# **SOUTH STREET REDEVELOPMENT PLAN**

Prepared by:

City of Lincoln, Nebraska  
Urban Development Department  
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Approved:

A handwritten signature in dark ink, reading "David Landis". The signature is fluid and cursive, with the first name "David" and last name "Landis" clearly distinguishable. It is positioned above a horizontal line.

David Landis, Director  
Urban Development Department  
July 9, 2007

# TABLE OF CONTENTS

<b>INTRODUCTION.....</b>	<b>3</b>
Plan Requirements .....	4
<b>EXISTING CONDITIONS .....</b>	<b>6</b>
Land Use .....	6
Zoning .....	7
Parks/Trails .....	8
Public Facilities.....	10
South Street Improvement Project .....	10
Transportation .....	10
<i>Access Issues</i> .....	11
<i>Parking</i> .....	11
<i>Sidewalk and Pedestrian Activity</i> .....	11
<i>Public Transportation Services</i> .....	12
Utilities.....	12
Historic Significance.....	13
Blight and Substandard Determination Study.....	14
<i>Substandard Factors</i> .....	14
<i>Blight Factors</i> .....	15
<i>Reasonable Presence Factor</i> .....	16
<b>REDEVELOPMENT PLAN.....</b>	<b>17</b>
Redevelopment Activities: Public Improvements .....	17
<i>Streets and Alleys</i> .....	18
<i>Sidewalks and Pedestrian Movement</i> .....	18
<i>Parking</i> .....	18
<i>Public Utilities</i> .....	19
<i>Streetscape Beautification</i> .....	19
Redevelopment Activities: Commercial and Industrial.....	20
Redevelopment Activities: Residential.....	22
Redevelopment Activities: Removal of Blighted and Substandard Properties .....	23
<i>Future Land Use</i> .....	24
<i>Redevelopment Process</i> .....	24

## **LIST OF EXHIBITS**

Exhibit 1: Redevelopment Area.....	3
Exhibit 2: Existing Land Use.....	6
Exhibit 3: Zoning .....	8
Exhibit 4: Bike Trails and Bus Routes.....	9
Exhibit 5: Commercial Redevelopment Activities .....	20
Exhibit 6: Future Land Use.....	24

## **LIST OF TABLES**

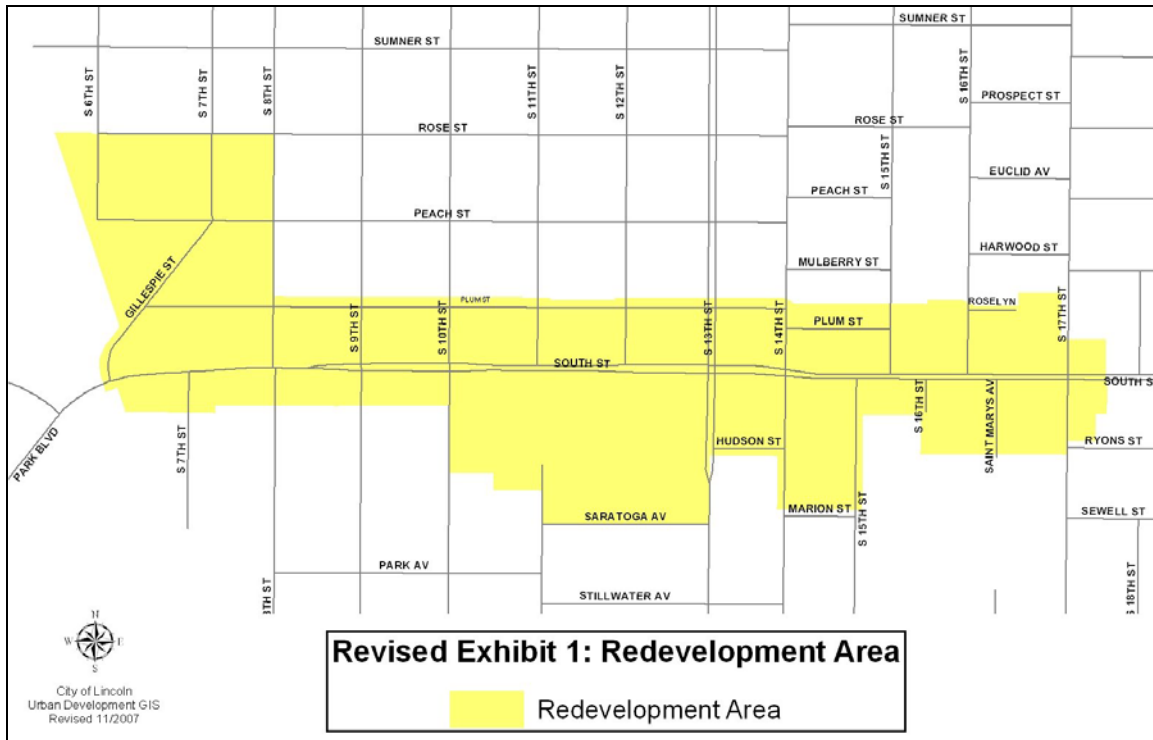
Table 1: Existing Land Use.....	7
Table 2: Substandard Factors.....	15
Table 3: Blight Factors.....	16

## **LIST OF APPENDICES**

Appendix A: Land Acquisition Policy Statement.....	A-1
Appendix B: Relocation Assistance.....	B-1
Appendix C: Land Disposition Procedures.....	C-1
Appendix D: Parcels to be Acquired for Residential Development .....	D-1
Appendix E: Parcels to be Acquired, Substandard Housing, and Commercial/Industrial Structures .....	E-1

# INTRODUCTION

The *South Street Redevelopment Plan* is a guide for redevelopment activities within the Redevelopment Area. As illustrated in Exhibit 1, the area is generally bounded by Plum Street to the north, extending to Rose Street between 6<sup>th</sup> and 8<sup>th</sup> Streets, 6<sup>th</sup> Street to the west, Saratoga Avenue to the south and 17<sup>th</sup> Street to the east.



The area is concentrated around the commercial district along South Street between 8<sup>th</sup> and 17<sup>th</sup> Streets. Residential areas are located along Plum Street and at the western boundary of the Redevelopment Area. Generally, the land uses are appropriate for the current use. The recently designed streetscape project for the corridor will give the area a unified feel and sense of place.

Over the years, City representatives have met with business owners, property owners, and neighborhood residents about their concerns and the future of the South Street corridor between 9<sup>th</sup> & 17<sup>th</sup> Streets. The area has a long history as a destination for shoppers, has served the abutting neighborhoods well, and has met the medical needs of many people over the last 50 years. However, the area is deteriorating quickly and something needs to be done to remedy that. After several public meetings between City officials and representatives from the area over the last several years, issues relating to business development, safety, lack of parking, deteriorating properties and inadequate infrastructure led the newly created South Street Business & Civic Association (SSBCA), with assistance from the City of Lincoln, to commission a *Blight and Substandard Determination Study*. Hanna Keelan Associates completed the study in March, 2006, and concluded that the area met the blighted and substandard criteria under Nebraska Community Development Law, Section 18-2103.

The City recognizes the threat that a blighted area represents to this important area of the city and that revitalization efforts are needed. The *South Street Redevelopment Plan* represents the City's efforts to guide and assist public and private redevelopment in the area.

## **Plan Requirements**

Redevelopment activities are guided by Community Development Law, Neb. Rev. Stat., Section 18-2101, et. Seq (as amended). These statutes clearly state that the governing body must have declared the project area substandard and blighted in order to prepare a redevelopment plan.

The City has authorized the Urban Development Department to act as a redevelopment authority under the applicable law.

The Urban Development Department has established a workable program:

- to utilize appropriate private and public resources;
- to eliminate or prevent the development or spread of blight;
- to encourage needed urban rehabilitation;
- to 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;
- the rehabilitation or conservation of substandard and blighted areas or portions thereof by re-planning, removing congestion, providing parks, green space, playgrounds, and other public improvements by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; and
- the clearance and redevelopment of substandard and blighted areas or portions thereof.

The Community Development Law Section 18.2111 defines the minimum requirements for a development 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 ...”

The statutes further identify six elements that, at a minimum, must be included in the redevelopment plan:

1. The boundaries of the redevelopment project area with a map showing the existing uses and condition or the real property within the boundaries;
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.

In making its recommendation to approve this plan, the Urban Development Department has considered the land uses and building requirements and determined that they are in conformance with the general plan for redevelopment in 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 included, among other things:

- 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, sewage system, and other public requirements;
- 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 unsanitary or unsafe dwellings accommodations or conditions of blight.

# EXISTING CONDITIONS

## Land Use

The South Street Redevelopment Area is a linear area of land located in south-central Lincoln. The area, an estimated 104 acres of mixed-uses, includes retail, public services, industrial and residential land uses. It is located generally along South Street, from 6<sup>th</sup> to 17<sup>th</sup> Streets. The primary land uses in the area are commercial and public/quasi-public (See Exhibit 2).

Approximately 97 of the 104 acres within the area have been developed. The eastern portion of the Redevelopment Area has a high concentration of commercial uses. The western portion is a mixture of public/quasi-public, single-family residential and industrial uses. Residential uses throughout the area include both single family and multi-family structures.

The Redevelopment Area includes MDS Pharma Services, a laboratory and research facility, the Lancaster Manor campus, Trabert Hall, Saratoga Elementary School, and the historic St. Francis Chapel; all in addition to a mix of both new and traditional retail outlets. The residential single family structures are from the 1900's to 1920's, with a few newer multi-family rental housing facilities.

The principle arterials within the area are South Street, 17<sup>th</sup>, 16<sup>th</sup>, 13<sup>th</sup>, 10 and 9<sup>th</sup> Streets.

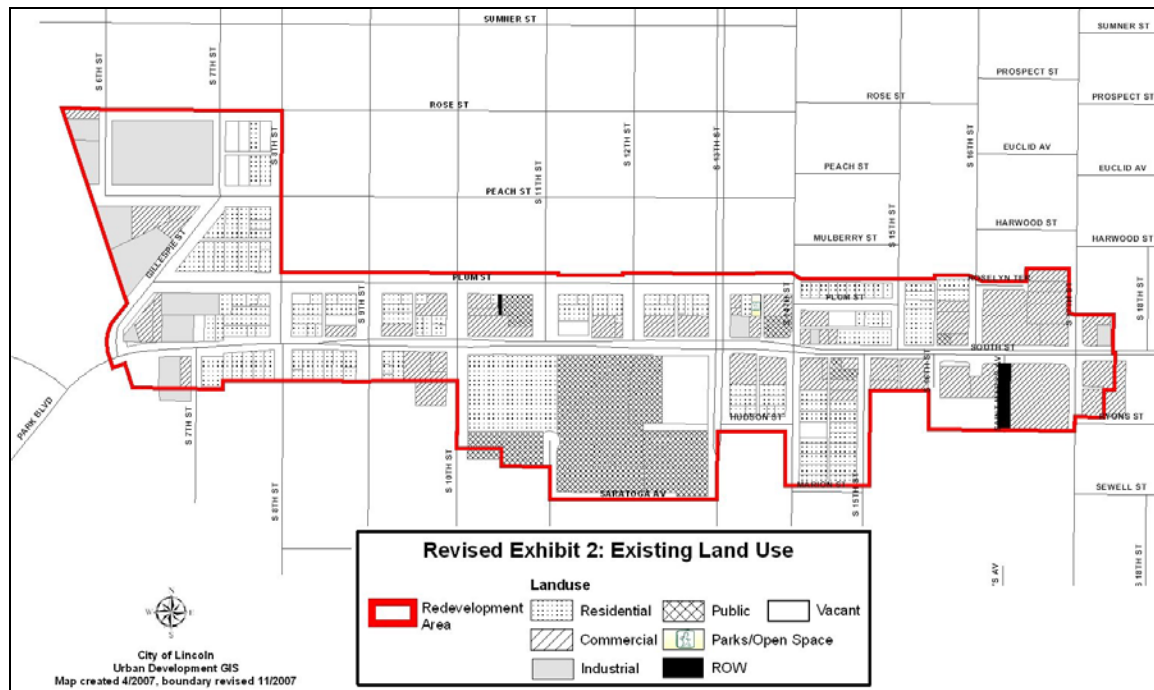


Table 1 identifies the estimated existing land uses within the Redevelopment Area in terms of number of acres and percentage of total for all existing land uses. Public/Quasi Public accounts for 17.5 percent of the area. An estimated 13.9 percent of the land use is Streets/Highway/Railroad Right of Way. Commercial uses occupy approximately 19

percent of the total area. Residential land area comprises an estimated 27 percent. Approximately 6.4 percent of the area is vacant.

**TABLE 1  
EXISTING LAND USE  
SOUTH STREET REDEVELOPMENT AREA  
LINCOLN, NE**

<b>LAND USE</b>	<b>ACRE</b>	<b>PERCENT</b>
Parks/Recreation	0.0	0.0%
Public/Quasi-Public	18.2	17.5%
Residential (Total)	28.0	26.9%
Single Family	27.4	26.3%
Multi-Family	0.6	0.6%
Mobile Home	0.0	0.0%
Commercial	19.8	19.0%
Industrial	16.8	16.1%
St./Hwy/RR-R.O.W.	<u>14.5</u>	<u>13.9%</u>
<b>Total Land Developed</b>	<b>93.3</b>	<b>93.6%</b>
Vacant	6.7	6.4%
<b>Total Acreage</b>	<b>104.1</b>	<b>100.0%</b>

*Source: Hanna:Keelan Associates, P.C. 2006*

## **Zoning**

The existing zoning districts within the Redevelopment Area are primarily commercial, industrial and residential (See Exhibit 3). The Public/Quasi-Public zoned district makes up nearly 18 percent of the area.

**B-3 Commercial District** - This district provides for local commercial uses in a redeveloping neighborhood generally located in established retail centers of those neighborhoods. The uses permitted are generally for neighborhood uses, plus additional limited manufacturing uses that reflect the character of that commercial area.

**I-1 Industrial District** - This district is for a developing stable or redeveloping area representing light and heavy industrial uses and having a relatively high intensity of use and land coverage.

**P Public Use District** - This district is intended to identify real property presently owned and used by any governmental entity, including local, state, or federal governmental units, and put to some form of public use.

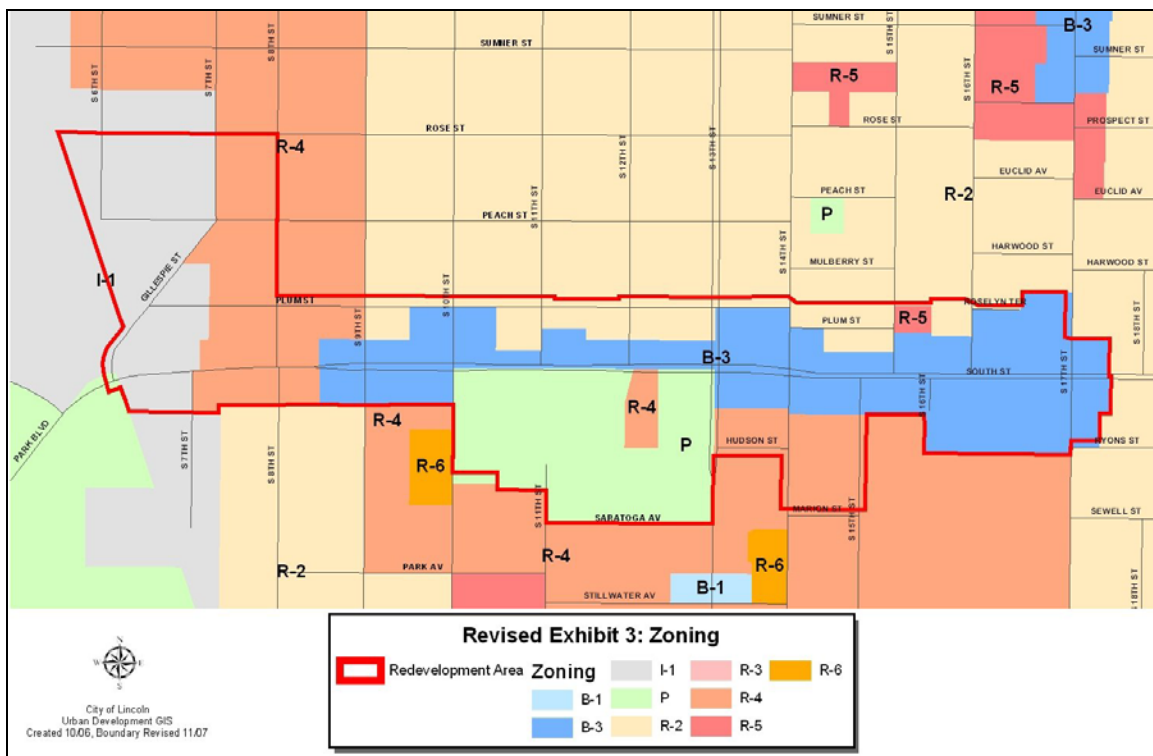
**R-2 Residential District** - This district is intended to provide a generally stable residential use in areas of the city that are largely developed. With a gross density of



generally three to five dwelling units per acre, this district permits single- and two-family dwellings and supportive community services, such as parks, playgrounds, schools, libraries, and churches.

**R-4 Residential District** - This district is intended to provide a stable area of residential use at a gross density in the range of three to five dwelling 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 churches.

**R-5 Residential District** - This district is intended to provide a redeveloping area of moderate residential density of between six and ten dwelling units per acres. This district provides for single-family, two-family, and multiple and townhouse residential uses, plus support facilities such as schools, parks, community buildings, and churches.



## Parks/Trails

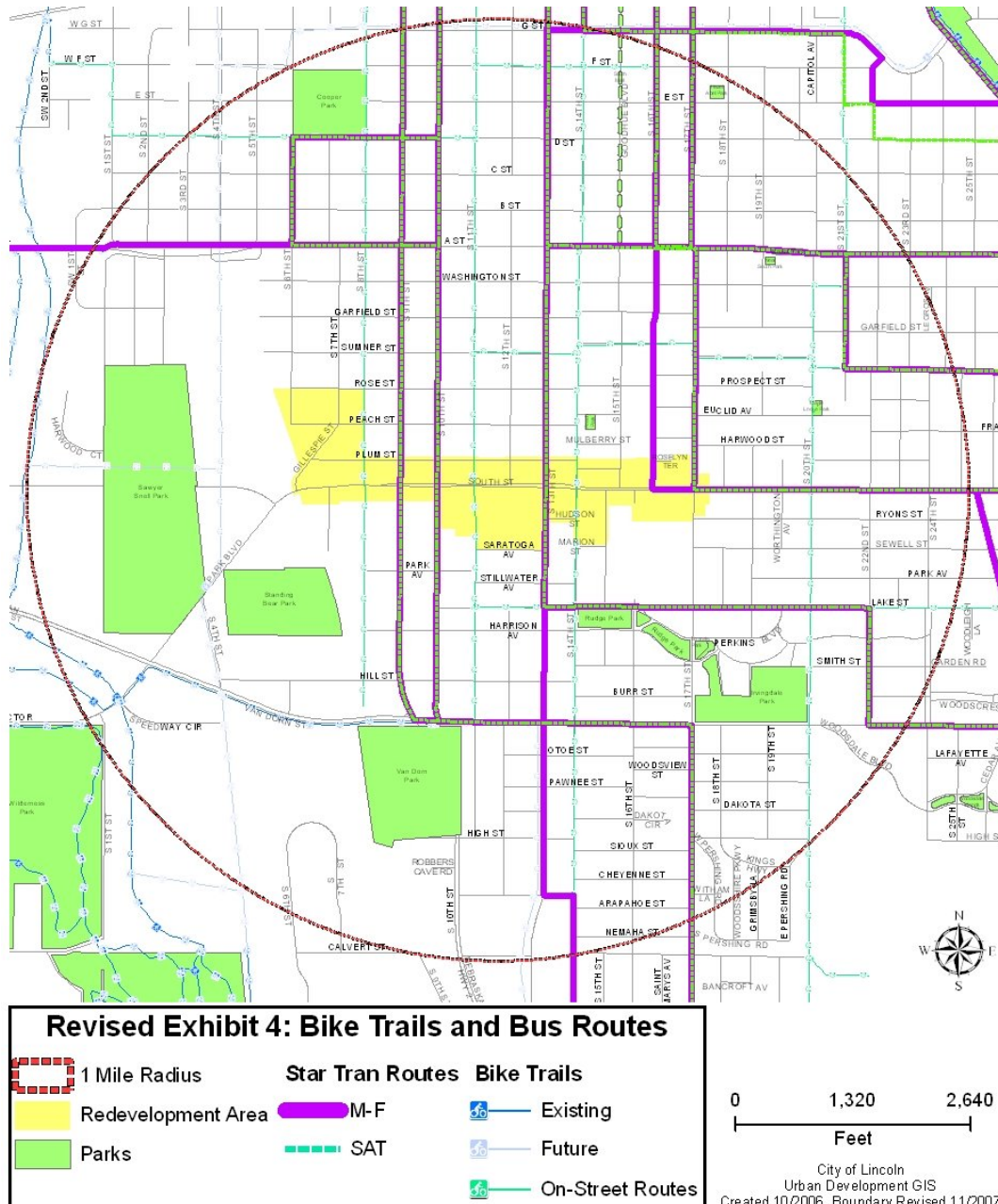
There are no parks within the Redevelopment Area, but, there are a number of parks within a one mile radius (See Exhibit 4). For example, Peach Park, a small neighborhood park, is located just north at 14<sup>th</sup> & Peach Streets. South of the Redevelopment Area, within one mile, is Stransky Park at 17<sup>th</sup> & Perkins Blvd, Irvingdale Park, which is directly south of Stransky Park, and Rudge Park at 13<sup>th</sup> & Lake Streets.

Three north-south, on-street bike routes run through the Redevelopment Area, on 8<sup>th</sup>, 11<sup>th</sup>, and 14<sup>th</sup> Streets. The area is also served by two existing bike trails. The north-south Salt Creek Levee Bike Trail is located just west of the Redevelopment Area and the east-

west Bison Trail is located along Van Dorn Street at 9<sup>th</sup> Street to the south of the Redevelopment Area.

Two future trails have been identified adjacent to the Redevelopment Area. The Jamaica North Trail will travel north-south along 4<sup>th</sup> Street, and will be connected to the Salt Creek Levee Trail. The second trail will connect to the current Bison Trail at 10<sup>th</sup> & Van Dorn, travel east to 13<sup>th</sup> Street, and then south along 13<sup>th</sup> Street.

*The 2030 Lincoln Lancaster County Comprehensive Plan* states that planning for future bike trails should be guided by the goal of having a bike trail within one mile of all residences in the city.



## **Public Facilities**

Three public facilities are located within the Redevelopment Area. Saratoga Elementary School is at 13<sup>th</sup> & Saratoga Streets. Trabert Hall and Lancaster Manor are located in the heart of the area, along South Street between 10<sup>th</sup> and 12<sup>th</sup> Streets. Trabert Hall houses various county and non-profit agencies and Lancaster Manor is a nursing home. Both are owned by the Public Building Commission. Bryan LGH Medical Center West is located at 2300 S. 16<sup>th</sup> Street, adjacent to the Redevelopment Area.

## **South Street Improvement Project**

In April, 2005, the Urban Development Department contracted with the Clark Enersen Partners to provide streetscape design services for South Street between 9<sup>th</sup> to 17<sup>th</sup> Streets as part of an overall improvement project. Focus groups and public meeting were held to get input from business owners and residents about the future of South Street.

Taking this information and working with City staff, the consultant put a vision together for South Street that includes signage and banners, landscaping, stamped and colored crosswalks at 9<sup>th</sup>, 10<sup>th</sup>, and 13<sup>th</sup> Streets, irrigation, street furniture, and ornamental lighting. A small plaza area is also planned at 14<sup>th</sup> & South Street on the north side. Project implementation began in March, 2007.

Other improvements include a resurfacing and new concrete roadway, new curb and the elimination of the “kink” at 14<sup>th</sup> Street. Water mains and storm sewer are also being replaced as part of this project. New traffic signals will be installed at major intersections.

As the design for the project continued, Urban Development Staff worked with a core group of business and property owners, neighborhood residents and Saratoga School Community Learning Center in establishing the South Street Business and Civic Association (SSBCA).

## **Transportation**

South Street is the primary east-west thoroughfare which bisects the area. South Street experiences Average Daily Trips (ADT) of approximately 7,300 vehicles on the west end and 20,900 on the east end at 17<sup>th</sup> Street. The land uses adjacent to South Street include commercial, public property, and some residential. South Street is not only a vital link to the city's transportation network; it is also a vital link to the businesses in the Redevelopment Area. As mentioned above, improvements between 9<sup>th</sup> & 17<sup>th</sup> Streets have been designed with transportation in mind that include road resurfacing, new curb, and the elimination of the “kink” at 14<sup>th</sup> Street. Construction began in March, 2007, with completion anticipated in late summer.

Primary north-south arterial streets intersecting South Street include 9<sup>th</sup> Street, 10<sup>th</sup> Street, 13<sup>th</sup> Street, 16<sup>th</sup> Street, and 17<sup>th</sup> Street. Ninth and 10<sup>th</sup> Streets operate as a one-way pair, with 9<sup>th</sup> Street southbound and 10<sup>th</sup> Street northbound. These roadways have an ADT of 16,500 and 16,800 respectively and serve as connecting roadways between Interstate I-180 and Hwy 2. Maintaining 9<sup>th</sup> and 10<sup>th</sup> Streets is vital to movement of vehicles and delivery of goods. Currently no major improvements are planned on these roadways.

Another primary north-south arterial street intersecting South Street is 13<sup>th</sup> Street. Thirteenth Street is a four lane, two way road way north of South Street tapering down to a three-lane roadway south of South Street. However, there are separate left turn lanes for both north and southbound traffic at South Street. Currently, 13<sup>th</sup> Street has an ADT of 13,700 vehicles and connects the downtown with Hwy 2. Currently no major projects are planned on this roadway.

North of South Street, 16<sup>th</sup> and 17<sup>th</sup> Streets operate as a one-way pair with 16<sup>th</sup> Street southbound and 17<sup>th</sup> Street northbound. Sixteenth Street ends at South Street. South of South Street, 17<sup>th</sup> Street is a two-way street. These roadways have an ADT of 9,100 and 10,000 vehicles respectively, and connect neighborhoods in near south Lincoln and the downtown. Although 16<sup>th</sup> & 17<sup>th</sup> Streets do not connect major highways or interstates, they are a valuable part of the transportation network because they provide an efficient route into the downtown for employment or entertainment purposes. Currently no major improvements are planned on these roadways.

### ***Access Issues***

Numerous driveways on arterial streets degrade traffic flow because they can create conflict points. When vehicles enter or exit traffic flow it can impede the flow of traffic and create safety hazards for both vehicles and pedestrians. Vehicles entering and exiting driveways on arterial streets generally result in a higher number of crashes. When working with new development projects consideration should be given to minimize the number of driveways on arterial streets as redevelopment projects occur.

### ***Parking***

The South Street Business & Civic Association, other business and property owners and residents from the abutting neighborhoods have made it clear that their number one transportation priority is parking. The need for parking means accommodating employees who work in the area as well as visitors and shoppers. Generally, on-street parking is prohibited on arterial streets; however, 15 minute parking is currently permitted on the north side of South Street from 14<sup>th</sup> Street to 15<sup>th</sup> Streets. On-street parking is also available in the residential areas north and south of South Street.

Two very congested areas are the commercial strip area on the north side of South Street, between 14<sup>th</sup> & 15<sup>th</sup> Streets and the South Street Plaza block between 16<sup>th</sup> & 17<sup>th</sup> Streets. Some employees and visitors to the businesses located on the 1400 block of South Street must park to the south across South Street, requiring them to cross South Street without the protection of a designated pedestrian crossing. Others park to the north in the neighborhood. The same situation is faced by businesses at the very busy South Street Plaza.

The field survey completed by the blight study consultant identified inadequate parking conditions throughout the Redevelopment Area.

### ***Sidewalk and Pedestrian Activity***

With the exception of a few locations, sidewalks in the proposed Redevelopment Area are in place. However, in some instances, sidewalks and/or ramps do not conform to American Disabilities Act (ADA) standards. As redevelopment projects are brought

forward, particular attention should be made to ensure that current sidewalks and ramps are brought into conformance with ADA standards.

In addition to addressing sidewalk conditions, the Public Works Department will continue to work with business and residential property owners to further reduce or possibly eliminate the number of “sidewalk gaps” in the Redevelopment Area.

Seven percent of the parcels throughout the Redevelopment Area lack sidewalks in areas zoned residential, commercial and industrial. In addition, fourteen percent of the parcels were determined by the consultant to have sidewalks in “fair” to “poor” condition.

*The Blight & Substandard Study* identified an unsafe and limited pedestrian circulation system in particularly in the industrial/residential areas on the north side of South Street, west of 8<sup>th</sup> Street.

### ***Public Transportation Services***

The Redevelopment Area is served by four StarTran routes:

- #6 “Arapahoe” Route – travels through the area via 9<sup>th</sup> and 10<sup>th</sup> Streets;
- #16 “Irving ” Route and #19 “Salt Valley” – dissect the area via 13<sup>th</sup> Street; and
- #3 “College View” Route – serves the eastern portion of the area by operating along 16<sup>th</sup> and 18<sup>th</sup> Streets and turning eastward on South Street.

The area is well served by bus routes as depicted in Exhibit 4. Future redevelopment projects should consider the needs of public transit that include sidewalk connections to transit stops, bus turnouts and bus shelters.

### **Utilities**

The basic infrastructure is in place within the Redevelopment Area; however, as a result of age and continued development in the area, it is facing increasing demands.

The South Street Redevelopment Area is served by the following utilities:

- Sanitary Sewer (underground);
- Storm Sewer (underground);
- Water Lines (underground);
- Gas Lines (underground);
- Electrical Conduits (overhead and underground);
- Telephone Conduits (overhead and underground); and
- Cable Conduits (overhead and underground).

### **Sewer and Water**

As part of the South Street Improvement Project, water mains are being replaced from 8th to 17th Street on the south side of South Street, and from 12th to 17th Street on the north side of South Street. Storm sewer will be replaced in South Street between 14th and 16th Streets. New traffic signals will be installed at major intersections. Minor wastewater repairs will also be made.

## **Water System**

The existing system is aged and experiences a number of broken mains. It is also sized for residential land use. In addition, South Street is the border between two pressure districts. This results in a number of long dead-end mains on the south side of South Street.

All of these deficiencies will be corrected with the design of a replacement main that will be constructed in conjunction with the paving work as part of the South Street Improvement Project which began in March, 2007.

## **Sanitary Sewer System**

The sanitary sewer pipe is vitrified clay pipe (VCP). The age of the pipe is roughly 50 to 70 years old. Many spot repairs have been made to the sanitary sewer mains in this area. Manholes are primarily made of brick. Although some are in poor condition, none are scheduled for replacement at this time.

A television inspection has been performed over the majority of the sanitary sewer mains in this area from 2000 to the present.

## **Street Lighting**

The light poles on South Street are as follows:

- 6<sup>th</sup> – 9<sup>th</sup> – HPSV luminaries on galvanized steel poles set in 1989 in good condition;
- 9<sup>th</sup> – 13<sup>th</sup> – HPSV luminaries on galvanized steel poles set in 1992 in good condition;
- 13<sup>th</sup> – 15<sup>th</sup> – HPSV luminaries on painted steel poles set in 1947 in very poor condition.

All other lights in the area - not on South Street - are HPSV luminaries on wooden poles set on various dates and in fair to good condition.

## **Historic Significance**

The South Street Redevelopment Area has been home to a number of major Lincoln establishments for over a century. Perhaps the earliest of these was the Saint Elizabeth Hospital, founded by the Catholic Sisters of St. Francis in the old Buckstaff House in 1889 as Lincoln's first general hospital. By 1920, a four-story red-brick hospital extended over 430 feet along the south side of South Street between 11<sup>th</sup> and 13<sup>th</sup> Streets – probably Lincoln's largest building, in terms of square footage, in that time.

After the new St. Elizabeth Medical Center was built on 70<sup>th</sup> Street in 1969, the old hospital served for many years as Lancaster Manor. Remaining from the old hospital are Trabert Hall – the nurse's residence of the late 1920s – and St. Francis Church – built as the chapel wing in the early 1920s. Saratoga Elementary School was the hospital's neighbor as early as 1893. The central entrance portion of the current elementary school building dates from 1923, with several later additions including the north gymnasium, built just a few years ago.

Lancaster Manor stands on the site of the Nebraska Orthopedic Hospital, established in 1905, between 10<sup>th</sup> and 11<sup>th</sup> on the south side of South Street. At the west end of the

Redevelopment Area, Gooch Mill was first established in 1908. Herbert Gooch, the founder, also purchased the *Lincoln Star* newspaper in 1910.

Many smaller businesses, from grocery and drug stores to restaurants and gas stations, have been located along South Street. Wendelin Baking Company was the largest of these establishments, building a handsome plant of orange-brick storefronts on the north side of South Street, west of 15<sup>th</sup> Street, in the late 1920s.

A block south of South Street, Lincoln General Hospital was constructed by the City of Lincoln in 1923.

## **Blight and Substandard Determination Study**

The South Street Business and Civic Association contracted Hanna Keelan Associates in January 2006 to conduct a blight and substandard study for the South Street area (see Exhibit 1). The consultant worked with Urban Development staff and in July, 2006, the Lincoln City Council declared the area blighted and substandard based on the study.

An analysis was made of each of the substandard and blighted factors listed in the Nebraska legislation to determine whether each or any were present in the Redevelopment Area and, if so, to what extent.

### ***Substandard Factors***

The Community Development Law defines a substandard area as one in which there is a predominance of buildings or improvements, nonresidential or residential, with the presence of:

The consultant did an evaluation which included a detailed exterior structural survey of 197 structures, a parcel-by-parcel inventory, conversations with pertinent City of Lincoln department staff and a review of available reports and documents containing information which could be substantiate existence of substandard conditions.

Of the four Substandard Factors set forth in the Nebraska Community Development Law, three factors in the South Street Redevelopment Area were found to be present to a strong extent, while the remaining factor was present to a reasonable, but less significant extent.

The substandard factors, present in the Area, are reasonably distributed. The factors determined to have a strong presence are dilapidated/deteriorating structures, the age or obsolescence of structures, and the existence of conditions which endanger life or property by fire and other causes. The factor inadequate provision for ventilation, light, air, sanitation or open space, was determined to be reasonably substandard.

**TABLE 2**  
**SUBSTANDARD FACTORS**  
**SOUTH STREET REDEVELOPMENT AREA**  
**LINCOLN, NEBRASKA**

- |   |   |
|---|---|
| 1. Dilapidated/deterioration .....  | ■ |
| 2. Age of obsolescence .....  | ■ |
| 3. Inadequate provision for ventilation, light, air, sanitation or open spaces .....        | ○ |
| 4. Existence of conditions which endanger life or property by<br>fire and other causes..... | ■ |

- = Strong Presence of Factor  
○ = Reasonable Presence of Factor  
● = Little or No Presence of Factor

*Source: Hanna:Keelan, P.C. 2006*

***Blight Factors***

As set forth in Section 18-2103 (11) Nebraska Revised Statutes (Cumulative Supplement 19914), blight area shall mean “an area, which by reason of the presence of the following:

While it may be concluded that the mere presence of a majority of the stated factors may be sufficient to make a finding of blighted and substandard, this evaluation was made on the basis that existing blighted and substandard factors must be present to an extent which would lead reasonable persons to conclude that public intervention is appropriate or necessary to assist with any development or redevelopment activities.

Secondly, the distribution of blighted and substandard factors throughout the Redevelopment Area must be reasonably distributed so basically good areas are not arbitrarily found to be blighted simply because of proximity to areas which are blighted.

Of the 12 factors set forth in the Nebraska Community Development Law, nine are present to a strong extent, and one is present to a reasonable, but more limited extent. The factor of tax or special assessment exceeding the fair value of land was determined not to be a blighting factor. Defective or unusual condition of title was not reviewed. The blighting factors, which are present, are reasonably distributed throughout the South Street Redevelopment Area.



**TABLE 3**  
**BLIGHT FACTORS**  
**SOUTH STREET REDEVELOPMENT AREA**  
**LINCOLN, NEBRASKA**

1. A substantial number of dilapidated or deteriorating structures. ....	■
2. Existence of defective or inadequate street layout.....	○
3. Faulty lot layout in relation to size, adequacy, accessibility or usefulness.....	■
4. Unsanitary or unsafe conditions.....	■
5. Deterioration of site or other improvements.....	■
6. Diversity of ownership.....	■
7. Tax or special assessment exceeding the fair value of land.....	●
8. Defective or unusual condition of title.....	□
9. Improper subdivision or obsolete platting. ....	■
10. The existence of conditions which endanger life or property by fire or other causes. ....	■
11. Other environmental and blighting factors. ....	■
12. One of the other five conditions.....	■

- = Strong Presence of Factor
- = Reasonable Presence of Factor
- = Little or No Presence of Factor
- = Not Reviewed

*Source: Hanna:Keelan, P.C. 2006*

***Reasonable Presence of Factor***

It was the conclusion of the Consultant retained by the South Street Business & Civic Association that the number, degree, and distribution of blighting factors 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 aids provided in the Nebraska Community Development Law. It was also the opinion of the Consultant, that the findings of the “Blight and Substandard Determination Study” warrant designating the Redevelopment Area as “substandard” and “blighted.”

## **REDEVELOPMENT PLAN**

With input from the South Street Business & Civic Association, residents and others with interest in the corridor, the following goals have been identified to create a vibrant, attractive, friendly and safe place for residents, businesses and visitors to the area:

1. Redevelopment should occur in ways that strengthen and support the existing business community in the South Street Redevelopment Area;
2. Establish and implement a set of design guidelines for commercial redevelopment along South Street;
3. Improve street amenities such as landscaping, street lighting, street furniture along the corridor and in conjunction with new development;
4. Enhance the pedestrian experience in the Redevelopment Area; and
5. Improve sense of security by implementing design features that include lighting and the creation of open spaces with a high degree of visibility.

### **Redevelopment Activities: Public Improvements**

#### **South Street Commercial Design Principles**

Quality urban design is understood as a good return on investment. Increasingly true today is that people are seeking more vibrant, walkable, mixed-use living and shopping arrangements. Such an atmosphere can be provided by recognizing the importance of infrastructure enhancements, redevelopment opportunities, and streetscape design.

A design committee that includes members of the SSBCA, and City staff considered the challenge of making South Street a safe and successful corridor that promotes current business, maintains a unified theme, invites pedestrians, and welcomes new business investment. Of high priority was the safety of all pedestrians in the area and the need for additional parking to serve visitors and business needs. The following is intended to invite a diversity of growth and provide inviting and safe public spaces.

1. The Redevelopment Plan should identify mixed-use redevelopment opportunities, including retail, commercial and housing;
2. It is important to provide pedestrians from the abutting neighborhoods clear and comprehensible paths to the South Street corridor;
3. The on-street parking on the north side of South Street between 14<sup>th</sup> & 15<sup>th</sup> Streets maintains comfortable separation between pedestrians and through lanes while providing important parking for businesses in the area. Replacing the parking with a landscaped area would encourage greater vehicular speeds through the district which is neither necessary nor desirable;
4. New projects should strengthen the pedestrian environment by providing safe and attractive sidewalks, including clear, convenient connections to building entrances. Locating the buildings at or close to the front property line, with windows and entrances toward the sidewalk is desirable; when that cannot be

achieved, parking lots should be well-landscaped along the sidewalk edge and entrances should be visible and convenient to the sidewalks;

5. New projects should attempt to locate parking along the side or rear of the buildings.

Redevelopment projects in the South Street corridor should reflect these principles; redevelopment agreements in the area should include consultation with and assistance from Urban Development and other City staff in achieving these concepts. Agreements should incorporate design review by Urban Design Committee, to assist developers and to advise staff and the Mayor of Lincoln where these public purposes have been met.

### **Streets and Alleys**

South Street is to be rebuilt, as part of the South Street Improvement Project, from 9<sup>th</sup> to 17<sup>th</sup> Streets. Also as part of the improvements, the signalized intersections will receive new mast arm traffic signals rather than span-wire traffic signals.

1. Coordinate improvements with the Public Works Department in the mostly industrial area north of South Street and west of 8<sup>th</sup> Street to pave the graveled streets and address drainage issues; and
2. Dedicate and build public alleys as needed and pave alleys in conjunction with redevelopment activities.

### **Sidewalks and Pedestrian Movement**

Because of traffic movement (especially east-west), pedestrian movement is difficult from residential areas north and south of South Street, when attempting to access public and commercial facilities located on the opposite side of South Street.

Regarding sidewalks, *The Blight and Substandard Determination Study* identified 35 percent of the parcels within the Redevelopment Area as being in excellent condition. Seven percent of the parcels throughout the Redevelopment Area lack sidewalks in residential, commercial and industrial zoned areas. In addition, fourteen percent of the parcels were determined by the consultant to be in “fair” to “poor” sidewalk condition.

1. Complete additional surveys and repair and replace sidewalks as necessary, especially as part of redevelopment projects;
2. Construct sidewalks where none exist, mostly in the industrial/residential area north of South Street and west of 8<sup>th</sup> Street; and
3. Complete further pedestrian vehicular surveys and eliminate conflicts, to the extent possible, particularly as redevelopment projects are undertaken.

### **Parking**

The South Street Business & Civic Association has indicated that the empty lot at 14<sup>th</sup> & Plum Streets best suits their needs for much needed parking. Currently, the lot is for sale. However, because the asking price is over three times the assessed value, the City cannot purchase the property. To improve the availability of parking, the following actions should be undertaken:

1. City to assist in identifying and/or providing parking to serve the South Street business corridor;

2. Pave gravel parking areas within Redevelopment Project Area;
3. Improve parking availability, particularly in conjunction with redevelopment projects; and
4. Keep existing parking along South Street, north side between 14<sup>th</sup> & 15<sup>th</sup> Streets to serve local businesses.

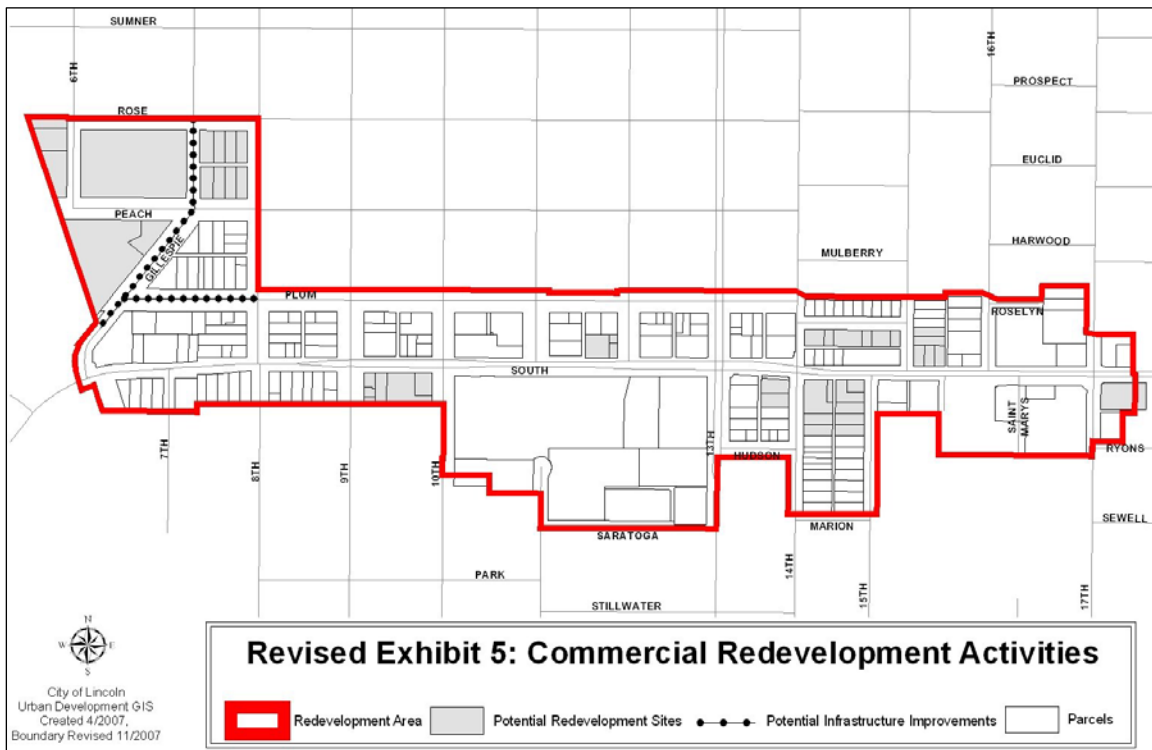
### **Public Utilities**

Street Lighting: Most of the street lighting within the Redevelopment Area is luminaries on galvanized steel poles and in good condition. Based on needs identified in the Existing Conditions section, the following projects should occur:

1. Replace 13th-15th HPSV luminaries on painted steel poles set in 1947 which are in very poor condition; and
2. Evaluate all other lights in the area. Lighting that is not on South Street is HPSV luminaries on wooden poles set on various dates and in fair to good condition.

### **Streetscape Beautification**

As part of the South Street Improvement Project, streetscape amenities will be added to the corridor. Elements include ornamental lighting, landscaping, corner nodes, signage/banners, and benches, stamped colored concrete at major intersections.



## Redevelopment Activities: Commercial and Industrial

1. Support commercial redevelopment at a property located at: Lots 1, 2, 3, 4, 10, 11 and 12, and Lot 9 except the West 3.8 feet, all in Block 5, South Lincoln; and Lots 1 through 22, Block 9, together with the vacated East-West alley adjacent, Lots 1 through 14, Block 10, and Lots 11 through 16, Block 7, Woods Brothers Country Club Park, Lincoln, Lancaster County, Nebraska. General location: 651 Peach Street, 621 and 745 Rose Street.
  - Acquisition of property described above from willing seller to complete public improvements;
  - Construction of public utilities on-site including sanitary sewer extension, water main extension;
  - Construction of public roads, alleyways and parking;
  - Sidewalk and approach construction in the public right-of-way;
  - Construction of landscaping, ornamental lighting and streetscape in the public right-of-way;
  - Demolition of existing structures;
  - Secure easements if needed; and
  - Relocation of tenants, if any.
2. Support commercial/industrial redevelopment efforts at: Lots 1 through 9, and Lots 33 and 34, Block 2, South Park Addition, Lincoln, Lancaster County, Nebraska, except streets. General location: 2101 S. 10th Street.

- Acquisition of property described above from willing seller to complete public improvements;
  - Construction of public utilities on-site including sanitary sewer extension, water main extension;
  - Construction of public roads, alleyways and parking;
  - Sidewalk and approach construction in the public right-of-way;
  - Construction of landscaping, ornamental lighting and streetscape in the public right-of-way;
  - Demolition of existing structures;
  - Secure easements if needed; and
  - Relocation of tenants, if any.
3. Support commercial redevelopment efforts at: Lots 1, 2 and 3, Block 1, Imhoff's Addition, except streets; and Lots 1 through 5 and Lots 20 through 24, Block 2, Central Park, Lincoln, Lancaster County, Nebraska. General location: 1325 and 1433 South Street.
- Acquisition of property described above from willing seller to complete public improvements;
  - Construction of public utilities on-site including sanitary sewer extension, water main extension;
  - Construction of public roads, alleyways and parking;
  - Sidewalk and approach construction in the public right-of-way;
  - Construction of landscaping, ornamental lighting and streetscape in the public right-of-way;
  - Demolition of existing structures;
  - Secure easements if needed; and
  - Relocation of tenants, if any.
4. Support commercial redevelopment efforts at Lots 11 through 20, Block 1, Electric Park Addition, Lincoln, Lancaster County, Nebraska. General location: 1465 Plum Street.
- Acquisition of property described above from willing seller to complete public improvements;
  - Construction of public utilities on-site including sanitary sewer extension, water main extension;
  - Construction of public roads, alleyways and parking;
  - Sidewalk and approach construction in the public right-of-way;
  - Construction of landscaping, ornamental lighting and streetscape in the public right-of-way;
  - Demolition of existing structures;
  - Secure easements if needed; and
  - Relocation of tenants, if any.
5. Support commercial redevelopment efforts at Lots 1 through 5, Block 3, Electric Park Addition, Lincoln, Lancaster County, Nebraska. General location: 1516 South Street.
- Acquisition of property described above from willing seller to complete public improvements;

- Construction of public utilities on-site including sanitary sewer extension, water main extension;
  - Construction of public roads, alleyways and parking;
  - Sidewalk and approach construction in the public right-of-way;
  - Construction of landscaping, ornamental lighting and streetscape in the public right-of-way;
  - Demolition of existing structures;
  - Secure easements if needed; and
  - Relocation of tenants, if any.
6. Support commercial redevelopment efforts at Lots 9, 10, 11, 12, 15 and 16, Block 1, Ryons' Addition, Lincoln, Lancaster County, Nebraska, except streets. Generally located at: 1701 South Street and 1724 Ryons Street.
- Acquisition of property described above from willing seller to complete public improvements;
  - Construction of public utilities on-site including sanitary sewer extension, water main extension;
  - Construction of public roads, alleyways and parking;
  - Sidewalk and approach construction in the public right-of-way;
  - Construction of landscaping, ornamental lighting and streetscape in the public right-of-way;
  - Demolition of existing structures;
  - Secure easements if needed; and
  - Relocation of tenants, if any.

## **Redevelopment Activities: Residential**

Improving the quality and viability of residential areas is a guiding redevelopment principle for the South Street Redevelopment Area. To the degree feasible, projects in residential areas should:

- Separate residential areas from conflicting land uses;
- Provide public infrastructure and park facilities;
- Limit non-residential traffic in residential areas;
- Rehabilitate or remove existing deteriorating and substandard housing;
- Expand the housing supply available in the Redevelopment Area;
- Encourage housing that is affordable, particularly for low and moderate income households; and
- Maximize opportunities for homeownership in the Redevelopment Area, especially for persons of low and moderate income;
- When possible, utilize rehabilitation programs available through the City of Lincoln to improve overall housing conditions.

The replacement and expansion of affordable housing is another residential redevelopment principle for the South Street Redevelopment Area. The City and redevelopers should work closely with private lenders, the Nebraska Investment Finance

Authority, Housing Authority of Lincoln and private developers to expand the supply of affordable housing and maximize homeowners opportunities in the Redevelopment Area.

To maximize the potential for new residential development in the Redevelopment Area, parcels may be acquired by the City and made available individually or assembled for ultimate disposition. Parcels identified for acquisition for residential redevelopment are included in Appendix D. Additional voluntary acquisitions that are identified during Plan implementation that are consistent with, and further accomplish the purposes of this Redevelopment Plan, will be added to Appendix D and made part of this Plan by Executive Order of the Mayor. Project elements could include:

- Property acquisition and relocation;
- Demolition; and
- Site preparation.

## **Redevelopment Activities: Removal of Blighted and Substandard Properties**

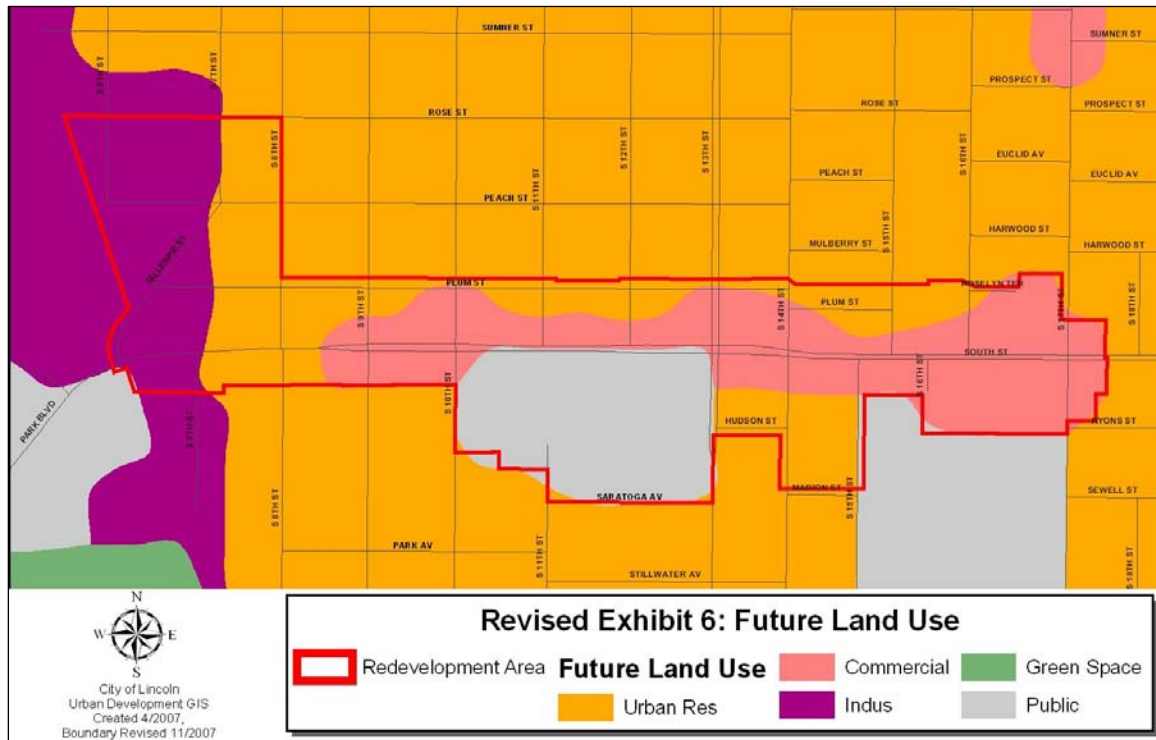
The *Blight and Substandard Determination Study* identifies approximately 29 percent of all structures to be substandard and having a major deficiency. By acquiring substandard and blighted properties and assembling these parcels of land, the City can create marketable parcels of sufficient size to attract the interest of the private sector. Sale of assembled parcels will assist the private sector in realizing economies of scale on a project while making it possible to improve design through planned, integrated developments. The initial impact will be to eliminate the blighting influences caused by substandard housing, other structures and properties that are inconsistent and incompatible with surrounding land uses. Parcels to be acquired are included in Appendix E. Additional voluntary acquisitions that are identified during Plan implementation that are consistent with, and further accomplish the purposes of this Redevelopment Plan, will be added to Appendix E and made part of this Plan by Executive Order of the Mayor.

1. Substandard housing, commercial/industrial structures and properties contributing to substandard and blighting influences in the Redevelopment Area, including structures that are inconsistent or incompatible with existing land uses, will be acquired and made available for redevelopment. Project elements could include:
  - Property acquisition and relocation.
  - Demolition.
  - Site preparation



## Future Land Use

Future land use was determined by reviewing the future land use map in the *2030 Lincoln City/Lancaster County Comprehensive Plan* (See Exhibit 6). The overall population density of the Redevelopment Area will generally remain the same. Land coverage and building density will increase moderately.



## Redevelopment Processes

Public improvements and redevelopment activities may require construction easements; vacation of street and alley right-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 utility lines; and re-routing/upgrading of underground utilities as needed). The processes for these activities include the following:

**Property Acquisition:** The City may acquire the necessary fees, easements, property and covenants through voluntary negotiations (see Appendix A Land Acquisition Policy). However, if voluntary agreement is not possible, the City may institute eminent domain proceedings.

**Relocation:** Relocation may involve the temporary or permanent relocation of families, individuals or businesses to complete redevelopment activities. Relocation will be completed according to local, state and federal relocation regulations (see Appendix B, Relocation Assistance).

**Demolition:** Demolition may include clearing sites on property proposed for public improvements; necessary capping, removal or replacing utilities; site preparation;

securing insurance and bonds; and taking other necessary measures to protect citizens and surrounding properties. Measures to mitigate environmental findings may also be necessary, if determined by site testing.

***Disposal/Disposition:*** This includes the sale of land to private developers for redevelopment purposes. Developers will be selected in an equitable, open and competitive proposal process according to the Land Disposition Procedures outlined in Appendix C.

***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. The selection process involves issuing an Invitation for Redevelopment Proposals for the entire redevelopment area and the selection of developers is facilitated by the City's Urban Development Department.

***Estimated South Street Expenditures:***

Activity	Private Sector Expenditures	Public Sector Expenditures
Infrastructure: Storm Water Sanitary Sewer		\$147,489
Public Improvements Road Resurfacing, Street Lights, Sidewalks		\$1,547,929
Streetscape Improvements and Design		\$399,442
Commercial Redevelopment	\$5,500,000	\$636,000
<b>TOTAL</b>	<b>\$5,500,000</b>	<b>\$2,730,860</b>

***Conformance with the Comprehensive Plan:*** The 2030 Lincoln-Lancaster County *Comprehensive Plan*, adopted May 28, 2002, as amended, represents the local objectives, goals and policies of the City of Lincoln. The *South Street Redevelopment Plan* was developed to be consistent with the *Comprehensive Plan*.

***Financing:*** The primary burden for revitalization of the Redevelopment Area must be on the private sector. The City must provide public services and public improvements and participate where necessary in the redevelopment process, but the needs of the area are beyond the City's capacity to do alone. Financing of proposed improvements will require participation by both the private and public sectors. Where appropriate, the City may participate by providing financial assistance for the rehabilitation of structures. The development of new complexes and the reuse of existing structures will be the responsibility of the private sector.

Sources of funding may include:

- Special Assessment Business Improvement Districts;
- Private Contributions;
- Sale of Land Proceeds (Proceeds from the sale of land acquired for redevelopment, as identified in the Redevelopment Plan, shall be reinvested in the Redevelopment Area);
- Municipal Infrastructure Redevelopment Fund (MIRF);
- Community Development Block Grants (CDBG);

- Home Investment Partnership Act (HOME);
- HUD Section 108 Loan Program;
- Community Improvement (Tax Increment) Financing (Ad Valorem Tax);
- Capital Improvements Program Budget;
- Federal and State Grant;
- Interest Income; and
- Advance Acquisition Fund – property rights/easements, public facility site acquisition.

Project activities will be undertaken subject to the limit and source of funding authorized and approved by the Mayor and City Council.

According to the Community Development Law, 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 after the effective date of such provision, by the governing body 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 such 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; and
- That portion of the ad valorem tax on real property in the redevelopment project in excess of such 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 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 a redevelopment project shall be paid into the funds of the respective public bodies.

The effective date for the Community Improvement Financing provisions of *The South Street Redevelopment Plan* is declared to be the date rehabilitation, acquisition, or redevelopment of substandard and blighted property begins.

# **Appendix A**

## **Land Acquisition Policy Statement**

### **I. ADMINISTRATIVE ORGANIZATION FOR LAND ACQUISITION OPERATIONS**

- A. All land acquisition functions, including negotiations and closings, will be performed by the City of Lincoln, or its agents. The conduction of condemnations will be performed by the Legal Counsel for the City. The staff is experienced and capable in the conduct of acquisition programs.
- B. The City of Lincoln approved land acquisition policies and procedures within the limits prescribed by the statutes of the State of Nebraska. Each individual property purchase, and the disbursement of payment, therefore, is approved by the Mayor. Condemnation proceedings are instituted by the City Law Department only after all efforts to reach a negotiated settlement have failed. Legal services will be performed by the Legal Counsel for the City.

### **II. POLICIES**

- A. Real Estate appraisals are made by staff or selected fee appraisers. Second real estate appraisals, if required, may also be by fee appraisers.

The following are policies for Real Property Acquisition:

- 1. Every reasonable effort will be made to expeditiously acquire real property by negotiation.
- 2. Real property will have separate appraisals before initiation of negotiations and the owner, or his representative, will be given the opportunity to accompany the appraisers on their inspection tour of the property.
- 3. Before initiation of negotiations for real property, the City's Reviewing Appraiser will establish an amount considered to be just compensation and the City shall make prompt effort to acquire the property for that amount.
  - a. The established amount shall not be less than the approved appraisal of fair market value for the property.
  - b. Any decrease or increase in the fair market value of the property, prior to the date of valuation, caused by public improvement; by physical deterioration within reasonable control of the owner, has been disregarded by the City and by the Appraisers in making the determination of fair market value.
  - c. The City's negotiator shall provide the owner with a written statement summarizing the basis for the amount established as just compensation.

Where appropriate, compensation for property acquired and for damages to any remaining real property shall be separately stated.

4. No owner shall be required to surrender possession until the City of Lincoln pays the agreed purchase price, or deposits with the Court the amount of award determined by the Condemnation Appraisers.
  5. Improvements will be scheduled so the owner or tenant shall receive a minimum 90 days written notice before having to move. Every effort will be made by the City to provide such notice as is required without undue hardship to the owner or tenant. (This is applicable to total acquisition of property.)
  6. If Owner or Tenant is permitted to rent property, the amount of rent shall not exceed fair rental value of subject property.
  7. The City of Lincoln will not take any action coercive in nature to compel an agreement on price for property.
  8. If acquisition must be by eminent domain, the City of Lincoln shall institute formal condemnation proceedings. The City shall not intentionally make it necessary for the owner to institute legal proceedings to prove fact of taking of his real property.
  9. If the owner feels the City of Lincoln's offer does not represent the true value of his property, he may refuse to accept it. He should then provide evidence concerning value, or damage, that warrants a change in the City's determination of just compensation. Should the City determine the additional information is valid, the price will be adjusted accordingly.
  10. If as a result of the real estate acquisition there is a portion of your property which is considered by the City of Lincoln to be an uneconomic remnant, you have the right to request an offer from the City of Lincoln to acquire the remnant.
- B. Owner will be reimbursed for the following expenses incidental to conveyance of real property:
1. Recording fee, transfer taxes and similar expenses.
  2. Penalty cost for repayment of any pre-existing recorded mortgage encumbering real property, provided the mortgage was entered into in good faith.
  3. Pro-rate portion of real property taxes paid which are allocable to a period subsequent to date of vesting title, or effective date of possession, whichever is earlier.
  4. The cost of abstract continuation and/or evidence of assurance of title.
  5. Litigation expenses such as legal, appraisal, engineering fees, etc., when:
    - a. Court determines that condemnation was unauthorized.

- b. City of Lincoln abandons a condemnation.
  - c. Property owner brings inverse condemnation action and obtains award of compensation.
- C. If a separate fixture appraisal is obtained, it shall contain the following immovable fixtures and personal property:
  - 1. Determination of division of appraisal coverage, enumerating and classifying improvements in-place.
  - 2. Appraisal of improvable fixtures, correlating their findings with both real estate appraisers.
- D. All appraisal contracts shall provide terms and conditions and fix the compensation for expert witnesses. These services will be utilized by the City of Lincoln to the extent necessary.
- E. Both real estate acquisition appraisals and immovable fixture appraisals will be reviewed by the City Appraisal Staff. All appraisals will be reasonable free of error and conferences with appraisers will ascertain that methods of approach and documentation are compatible, with no elements of value being omitted from consideration. City staff will conduct relocation interviews to verify ownership of certain fixtures and personal property claimed. Said claims will then be checked against existing leases and through interviews with fee owners.
- F. Preparation for acquisition includes:
  - 1. Preliminary title information supplied by local abstract companies; contents reviewed and entered in individual parcel folios.
  - 2. Individual parcel folios prepared; chronological activity indexed and all pertinent historical information entered.
  - 3. Basic forms of Real Estate Agreement (real estate, personal property and fixtures) reflecting policy for negotiations to acquire all classifications of property.
  - 4. Closing methods and policy determined.
  - 5. Policy for possession, property management, salvage and demolition, timetable of activities prepared.
  - 6. Closing statement form prepared together with such internal administration forms for notice to various units of inspection, accounting, property management, finance and legal counsel as may be required.
  - 7. Information letters prepared for distribution to all owners and tenants.
  - 8. Deed forms for conveyance of real estate, bill of sale forms for personal property, and condemnation forms for eminent domain procedure prepared.

(NOTE: Paragraphs G, H, and portions of I cover items of notice, relocation assistance, etc., relating to total property acquisitions as well as general policies.)

- G. The "single offer" system for acquisition will be utilized in all negotiations. The City will establish fair market value and be prepared to justify and substantiate the determination in the event it is challenged. Staff will present and explain forms, terms and conditions of purchase in personal interviews with each property owner and tenants. The date of this interview will establish the beginning of negotiations which regulates many relocation payments.

For the purpose of all negotiated transactions, the City will require conveyance of real estate by Warranty Deed or deed instrument sufficient to place marketable title in the City of Lincoln. Standard forms of such instruments conforming to Nebraska Law are on hand and will be used in every case. Each owner executing a Real Estate Agreement should furnish a current abstract of title as specified in said offer. Legal Counsel for the City will render an opinion of the condition of said title, and upon determination that in his opinion said title appears merchantable, will assist with the closing process. Title to all property will be vested in the City of Lincoln on the date of closing, which will also be the date of payment of the purchase price and the date of conveyance instruments. The City of Lincoln shall have the right to possession within 90 days of closing date, (or 90 days from date of written notice if later than closing date), or as provided in the Real Estate Agreement. A statement by a responsible City Official, resulting from an inspection of the property acquired, will be contained in each acquisition folio. This statement will precede payment and closing and must determine that all property purchased is present and in place in substantially the condition as of the date appraised.

- H. Immovable items attached to the Real Property, that would incur substantial economic damage if removed, will be negotiated for and acquired at the appraised value-in-place for continued use in the present location. A "Single Offer" at the maximum price will be offered the owner of such property, but if the owner elects to move any such appraised item it will be relocated rather than acquired and the appraised amount deducted. Until the business to be displaced has definitely located a relocation site, it is almost impossible to determine whether certain process fixtures can be relocated or should be acquired by the City of Lincoln. When such fixtures have been acquired, paid for, and a bill of sale conveyed, and the seller then finds it would have been desirable to have relocated them, it shall be the City of Lincoln's policy to reconvey such items to the original owner in return for the exact amount of value-in-place price paid for them, and then pay for their relocation. Under no circumstances will fixtures sold back to the original owner by the City of Lincoln be at salvage value, or any amount less than that paid for them. Generally, the terms and conditions of existing leases and pre-acquisition conferences with owners and tenants by all appraisers and City Staff will have clarified ownership.

NOTE: Process utilities that are service entrances and concealed utilities are ineligible for compensation as relocation expenses and will be treated as immovable fixtures. The utilities listed by the fixture appraiser as "Eligible for Relocation" formerly would have been compensated in relocation for those items. Therefore, process utilities are appraised even though eligible for relocation compensation. However, the claimant may still enter a claim for payment for replacement of those eligible utilities at the new location providing the appraised value-in-place of the claimed utilities is deducted from the relocation claim.

Immovable fixtures and process utilities not appraised will be handled through the direct loss of property process. It is expected that claims for severance damages caused by partial taking will be minimal.

All fixtures and improvements appraised and acquired become the property of the City of Lincoln as clarified in the Real Estate Agreement and may not be removed by any other than authorized personnel or the demolition contractor.

- I. Upon thoroughly exhausting every avenue of negotiation available, the City of Lincoln will direct their Legal Counsel to prepare for the appropriation of all property to be acquired through eminent domain proceedings. Such petitions will be drafted by the Legal Counsel clearly defining the property to be acquired and the ownership thereof, land, improvements, immovable and movable property (if any) located therein, with such particularity that the petitions and the resulting action of the condemnation appraisers, or district court appeals, will clearly establish such ownership and rights to compensation. Owner-Occupants of dwelling units that may be eligible for the Replacement Housing Payment will be made aware that the award received through eminent domain proceedings (excluding interest thereon, or consequential damages), determined by the condemnation appraisers, or by District Court will become the basis for any Replacement Housing Payment to be claimed. Immediately preceding preparation of petitions, preliminary title information will be updated. Fee appraisals and fixture appraisals will be reviewed.

To the extent necessary, a reinspection of each property to be condemned will be conducted by the appraisers to determine that the property, on the date of taking, is in substantially the same condition as it was on the date of their original appraisal and that their opinions of value, therefore, hold true as of the date of taking. Each appraiser's testimony may then be presented to the condemnation appraisers and, in case an appeal is filed, to the District Court.

The City of Lincoln will not require any owner to surrender the right to possession of his property until the City pays or causes to be paid, to the Lancaster County Court the amount due each interest acquired for the taking thereof as determined by the condemnation. Immediately following the determination of the amount of the condemnation award for the property, or each separate interest therein taken, the City will direct that payment to be made in an amount equal to the City's offer by the issuance of warrants drawn in favor of those entitled thereto to the County



Court of Lancaster County, Nebraska, for payment of the condemnation appraiser's fees connected with the taking. Upon approval of the City's Legal Counsel, such warrants shall be deposited with the County Court and will represent full compensation for the property taken, subject to appeal to District Court. In any event, title to the property rests with the City of Lincoln as of the date of payment of the condemnation award, as does the right to possession thereof within 90 days of said date, provided compensation due has been paid as prescribed and proper notice given.

Nebraska statutes provide a 30-day period from the award of condemnation during which an appeal can be filed by either party. Acceptance of the award deposited with the County Court extinguishes the right of appeal as to that particular party. In the event an award is not claimed and no appeal is filed during the statutory period, the right to appeal is barred and the County Judge immediately causes the condemnation papers to be recorded in the records and transfer books of Lancaster County, Nebraska.

In case an appeal is filed, the County Judge forwards copies of all pertinent papers to the Clerk of District Court for subsequent trial and determination of the damages in the condemnation appealed from. At that point, the City of Lincoln, with or without the consent of condemnee, may petition the District Court to order payment immediately of the award appealed from, thereby reducing interest costs on the award while the case is being prepared and subjected to trial.

Although title and right to possession is vested in the City of Lincoln as of the date of payment of the condemnation award, no lawful occupant of property taken will be required to surrender possession without at least 90 days written notice (a separate notice in addition to the notice of condemnation) from the City of Lincoln stating the date on which possession will be required. Terms and conditions for temporary rental of condemned property for owner-occupants and tenants are detailed in the project property management policy.

District Court trial of all condemnation awards appealed will be defended by the City of Lincoln's Legal Counsel utilizing the services of contract appraisers as expert witnesses for the City. Compensation for witness services is provided for in existing appraisal contracts. After condemnation suits, awards and appeals therefrom have been filed, agreements as to value may be entered into by stipulation. Appeal cases will be diligently prosecuted to bring the case to trial and judgment in the shortest time possible and necessary for the preparation of an adequate defense. In this manner, and with the court directed partial payments of awards outlined previously, interest and court costs will be held to a minimum level.

In most instances, the sale of privately-owned property to the City of Lincoln for public purposes is considered "involuntary conversion" by the Internal Revenue Service, and the owner may not have to pay capital gains tax on any profit from the sale of the property to the City of Lincoln, if the money is reinvested in similar

property within two years. Internal Revenue Service Publication 549, entitled "Condemnations of Private Property for Public Use", is available from the IRS. It explains how the federal income tax applies to gains or losses resulting from the condemnation of property, or its sale under the threat of condemnation, for public purposes. IRS Publication 17, "Your Federal Income Tax", available from the IRS contains similar guidance. The owner is advised to discuss his particular circumstances with his personal tax advisor or local IRS office. State income tax considerations should also be discussed as appropriate.

## **Appendix B**

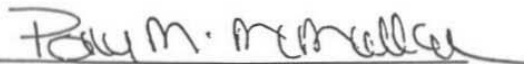
### **Relocation Assistance**

Use the following URL/link for Relocation Assistance:  
<https://www.lincoln.ne.gov/city/urban/real-row/pdf/reloc.pdf>

## Appendix C: Land Disposition Procedures

ADMINISTRATIVE REGULATION - LAND DISPOSITION		CITY OF LINCOLN
SUBJECT: Purchase, Dedication, Donation, or Sale of Real Property	EFFECTIVE DATE: August 15, 1994	A.R. NO.: 2A
APPLIES TO:  All Departments	SUPERCEDES: Subsection G.2. of A.R. No. 2	PAGE <u>1</u>  OF <u>2</u>
<p>Subsection G.2. of Administrative Regulation No. 2 is hereby amended to read as follows:</p> <p>2. The City of Lincoln also owns properties surplus to its need which are not public ways. Generally no action has been taken in the past as to their disposal until a request to purchase them is received. Those requests may be received by any operating department; however, it is believed most are received by the Real Estate Division. Once a request is received, verification of the City's ownership of the parcel is made. Once ownership is confirmed, contact is made to the Public Works, Planning and to the operating department utilizing the real estate to determine if it is surplus. If it is desirable to dispose of the property the reservations of easements of specified uses are sought. All reports are returned to the Real Estate Division. A presentation of the request to purchase and report is made by the operating department at Director's Meeting for a recommendation to or by the administration. In the event the administration may recommend that the property not be sold, the Real Estate Division is notified so that it can respond to the original request advising of the administration's decision. If the decision is to dispose of the real estate, the operating agency shall notify the Real Estate Division and which shall refer the request, recommendations, and all other reports to the Planning Department which will report on the conformity of the proposed action to the comprehensive plan in accordance with Article 9B Section 6 of the City Charter. The report of the Planning Department shall then be forwarded to the City Council, along with an ordinance to authorize the sale for its consideration. At that time, the Real Estate Division submits a appraisal of the property. The same process of developing an estimate of the value of the property is followed as in the case of vacated streets and alleys. The same number of copies of the appraisal report are delivered to the City Clerk for referral to the City Council and to the Mayor's Office. Once all reports have been received by the Council, the matter is placed on the agenda for consideration. If the property is to be disposed of, the Law Department is directed to prepare documents as are necessary to convey the property and upon the terms set by the City Council. Those documents are furnished to the Mayor's Office for execution. The Law Department delivers the executed deeds when the considerations as prescribed by the Council are received. Such monies are delivered to the Finance Department for deposit in the account of Advance Land Acquisition. It naturally follows that if the decision of the Council is to reject or disapprove the sale of surplus</p>		

Approved:

  
Administrative Assistant

  
Mayor

## ADMINISTRATIVE REGULATION

CITY OF LINCOLN

SUBJECT: Purchase, Dedication, Donation or Sale of Real Property	EFFECTIVE DATE: August 15, 1994	A.R. NO.: 2A
APPLIES TO: All Departments	SUPERCEDES: Subsection G.2. of A.R. No. 2	PAGE <u>2</u> OF <u>2</u>

property, that decision is communicated to the Real Estate Division who notifies the original person, persons or businesses requesting its purchase. All purchase requests will ultimately be referred to the City Council for its approval or denial.

Approved:

Ray M. McMullen  
Administrative Assistant

[Signature]  
Mayor

## **Appendix D**

### **Parcels to be Acquired for Residential Development**

(Materials are included in this section as redevelopment projects are determined.)

## **Appendix E**

### **Parcels to be Acquired - Substandard Housing and Commercial/Industrial Structures**

(Materials are included as redevelopment projects are determined.)