

Redevelopment projects should also encourage private investment in the **NW 48th Street Redevelopment Area** and once completed, should increase security and safety in the **Area**, by the removal of certain blighted and substandard conditions. Any anticipated adverse impacts on City services will be evaluated, as well as additional revenues which will provide support for those services.

- **Employment within the Redevelopment Project Area:** Adverse impacts, as well as positive effects on employment within a redevelopment project area will be evaluated on an individual project basis.
- **Employment in the City outside the Redevelopment Project Area:** Adverse impacts, as well as positive effects on employment for the City of Lincoln will be evaluated on an individual project basis.
- **Other Impacts:** Redevelopment projects should improve the **Redevelopment Area**, eliminating blighted and substandard conditions. Any other impacts, both negative and beneficial, should be evaluated. While the use of TIF will defer receipt of the incremental ad valorem real property taxes generated up to 20 years due to the extremely blighted designation discussed below, additional revenue will be generated, including the sales tax paid by businesses and/or residents of the project. Upon the completion of the 20-year collection period, projects should benefit the community through higher property tax payments.

All proposed redevelopment/development projects should be consistent with the goals of this **NW 48th Street Redevelopment Plan**, including the **Future Land Use and Zoning Districts**. Potential project concepts and locations are discussed in this **Plan**.

NW 48th and Holdrege Redevelopment Project.

Project Description

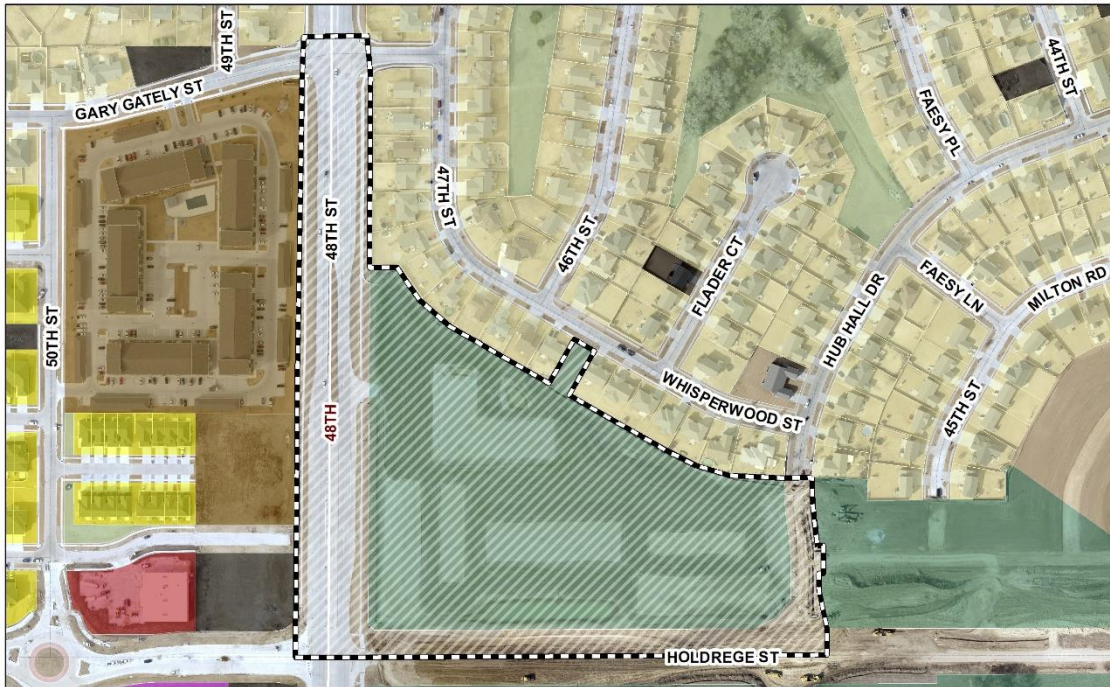
The NW48 Apartments Redevelopment Project (the “Project”) is generally located on the Northeast corner of NW 48th and W Holdrege Streets, consisting of the property legally described as: Lot 1, Hub Hall Heights 14th Addition, Lincoln, Lancaster County, Nebraska, and the adjacent public rights of way (the “Project Area”). The Project Area is depicted on the map, below:



The Project involves the construction of four (4) multifamily residential buildings consisting of approximately two hundred eighty-nine (289) apartment units, a clubhouse, seventy-two (72) detached garages, three hundred sixty three (363) surface parking stalls, and a commercial pad located in the northwestern corner of the property that is slated for future development. The apartment units will consist of approximately forty-one (41) studio units, one hundred sixty nine (169) 1 bedroom, 1 bath units, and seventy-nine (79) 2 bedroom, 2 bath units. The Project is intended to create additional housing in the City. The preliminary site plan for the Project, which is subject to change, is shown at the end of this section.

The goals of the Project are to expand affordable housing and facilitate development in the Redevelopment Area through development of an apartment complex on a vacant lot. The Project Site is located in a growing area of the City, adjacent to the new Lincoln Northwest High School. The Project will cause the removal of blight and substandard conditions on the Project Site and in the Redevelopment Area. Utilizing TIF, Redeveloper shall ensure that 20% of the units remain affordable to tenants earning approximately 60% of AMI in accordance with City policy.

The Project Site is currently zoned B-2 Planned Neighborhood Business District and located within the Woodside Village Planned Unit Development ("PUD"). Adjacent property is zoned primarily R-3, with AG zoning to the south. The Project's location at the corner of Northwest 48th and Holdrege streets makes the Project Area an ideal location for higher density multi-family housing. The location of the Project Site in an area near the new public high school makes additional housing on the Project Site desirable. See the Current Land Use Map and Future Land Use Map below.

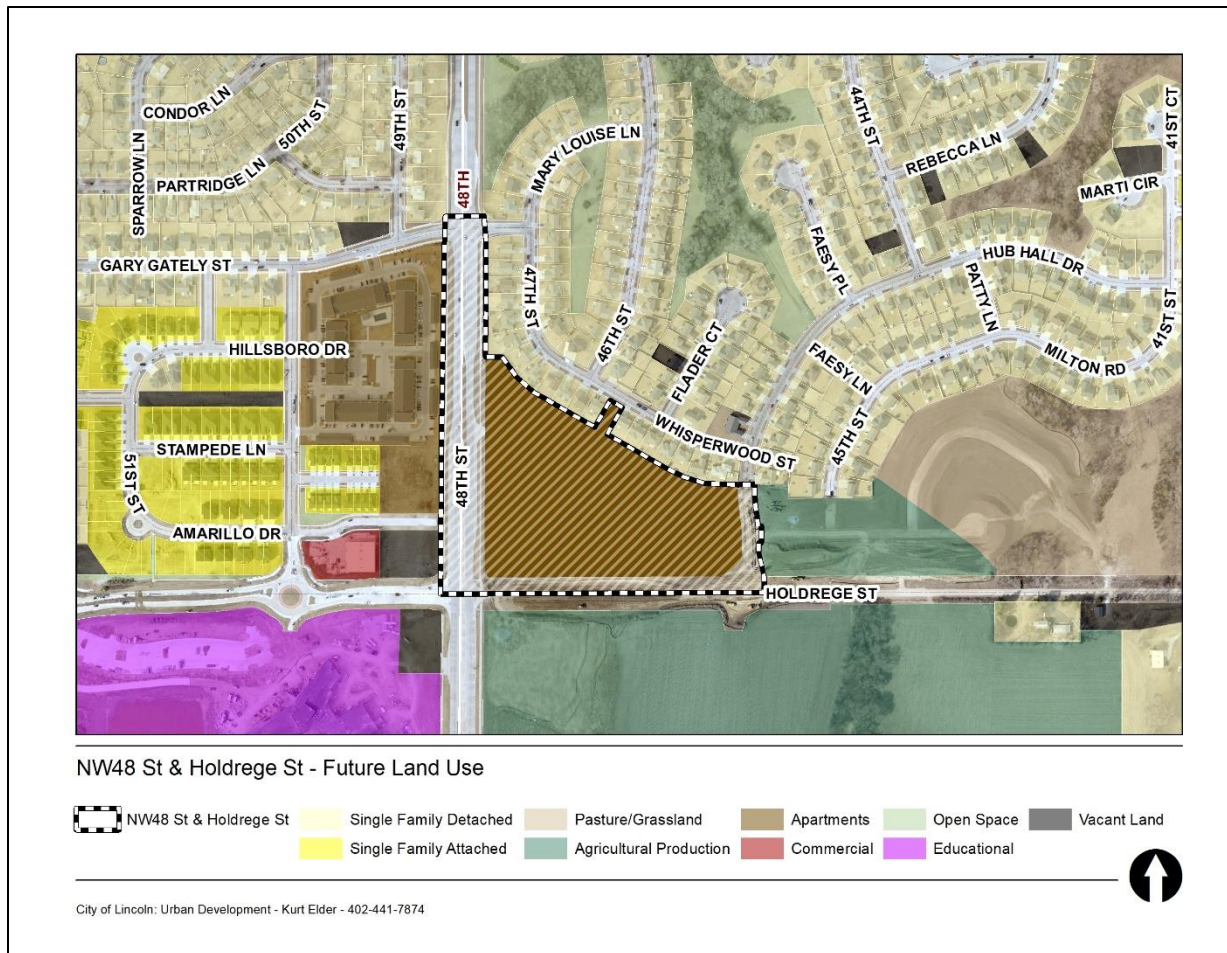


NW 48 St & Holdrege St - Current Land Use



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The proposed use of the Project Area is a permitted use under the exiting PUD. The Project will not require a change of zoning district.

The Project is consistent with the *Lincoln-Lancaster County 2050 Comprehensive Plan*:

Goals

- G1: Safe, Affordable, and Accessible Housing
 - Development of safe, affordable, and accessible quality housing that meets the diverse needs of the community.
- G2: Complete Neighborhoods
 - Development of complete neighborhoods with housing variety, specifically near public schools.

Policies

- P1: Housing Affordability
 - Availability of safe housing across all income levels.
- P3: Developing Neighborhoods
 - Encourage new development to achieve higher densities.

Elements

- E1: Complete Neighborhoods & Housing
 - Encourage a mix of compatible land uses to develop more complete neighborhoods, including a variety of housing types and sizes.
- E2: Infill and Redevelopment
 - Neighborhood edges present the opportunity for “missing middle” and other higher-density housing.

The Project is consistent with the *Lincoln Affordable Housing Coordinated Action Plan*:

- Address housing needs for the City’s residents earning less than 60% Area Median Income (AMI).
- Over the next decade, Lincoln will need an additional 17,000 units to support projected population growth.
- By 2030, Lincoln will need nearly 5,000 rental units affordable to the lowest-income households (< \$1,000/month).

The Project is consistent with the City’s Climate Action Plan. The Climate Action Plan prioritizes the continuation of mixed-use development, the adoption of pedestrian-oriented development, and the adoption of transit-oriented development (“TOD”) policies regarding the City’s growth and redevelopment. The Climate Action Plan also emphasizes the alignment of economic development goals with climate realities, through the growth of climate smart businesses and the development of a climate-ready workforce. Thus, ideal redevelopment projects will provide for walkable, mixed-use housing options and/or will incorporate businesses, institutions, or public services which further the goals of climate-smart innovation and economic development.

The Project represents a significant private investment in the Redevelopment Area. Publicly funded redevelopment activities may include: site acquisition, site preparation, utility improvements, street and sidewalk improvements, façade enhancements, energy efficiency improvements, and other public improvements and enhancements permitted under the Community Development Law in the Redevelopment Area.

Statutory Elements

Property Acquisition, Demolition, and Disposal: The redeveloper purchased the Project Site in 2021 for the Project. No public acquisition of private property, relocation of families or businesses, or the sale of property is necessary to accomplish the Project.

Population Density: Upon completion of the Project, the primary use of the Project Site will be multi-family residential, so it will inherently increase population density in the Redevelopment Area. Nonetheless, the increase in population density is consistent with and will achieve the goals of the Comprehensive Plan by providing additional affordable housing in the City.

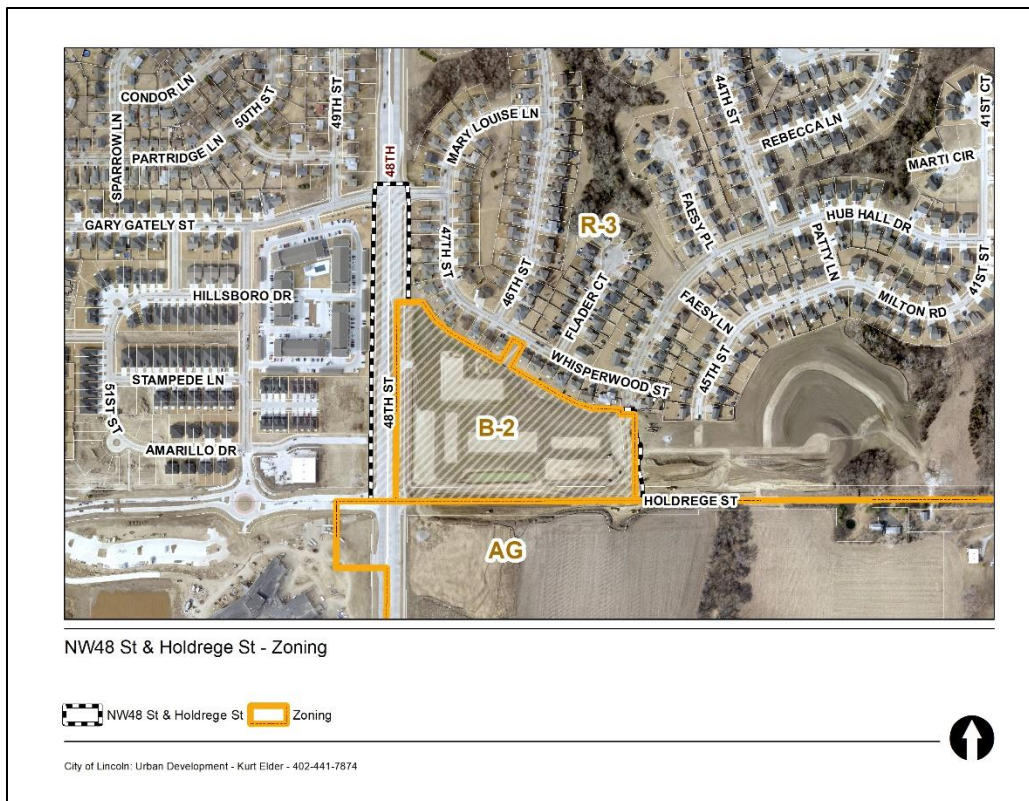
Land Coverage: Land coverage will increase as the Project Site is currently vacant. The Project will include the construction of four (4) residential buildings on an approximately 10.75 acre lot. The Project will comply with the applicable land-coverage ratios and zoning requirements of the City of Lincoln. The site plan has been approved by the Planning Commission and is part of the PUD.

Traffic Flow, Street Layouts, and Street Grades: By creating additional housing, the Project will likely increase traffic flow to and from the Project Site and the Redevelopment Area. NW 48th and W Holdrege Streets are classified as minor arterials. NW 48th Street is improved to four paved lanes plus turn lanes. West Holdrege Street is paved from NW 48th Street to the edge of the Project Area. The Project will include certain public paving and street improvements adjacent to the Project Site. The Project does not include vacating any streets or alleys.

Parking: Private parking will be developed as part of the Project. The Project will include four hundred thirty-five (435) new parking spaces. The new parking will consist of seventy-two (72) detaches garages and sixty-three (363) surface parking stalls. The Project will comply with the parking requirements set forth in the applicable zoning district.

Public Facilities and Utilities: Public infrastructure improvements will be required to implement this project, including improvements to Lincoln Electric System transformers and/or other equipment. Additional improvements may be required to implement this project, including but not limited to improvements to the water, sanitary sewer, storm sewer, and rights of way including alleys and streets. As the project is further developed, the Lincoln Transportation and Utilities Department will work with the Developer ensure that the systems can support the additional capacity requirements of the project.

Zoning, Building Code, and Ordinances: The Project Site is currently zoned B-2 Planned Neighborhood Business District and located within the Woodside Village Planned Unit Development ("PUD"). The Project is permitted under the PUD. No subdivision or rezoning of the Project Site will be required as part of the Project. All applicable building code requirements and ordinances will be satisfied.



Proposed Cost and Financing

The estimated total cost to implement the Project is approximately \$46,000,000 which includes approximately \$9,612,000 in public financing. The project cost will be finalized as construction costs are determined. The source of public funds for these improvements will be the tax increment generated from the private developments on the Project Site. Funding sources and uses will be negotiated and identified in the redevelopment agreement, subject to approval by the Mayor and the City Council.

The City of Lincoln designated portions of the Redevelopment Area, including the Project Area, extremely blighted and substandard. This designation allows the division of taxes for up to 20 years for TIF purposes. The City intends to use 20-year TIF to the extent feasible to facilitate the Project, and this Plan Amendment authorizes the City to do so in accordance with the Community Redevelopment Law.

The Project seeks to satisfy the goals established by the City for the use of TIF in extremely blighted areas, in meeting both housing affordability and energy efficiency goals.

COST BENEFIT ANALYSIS

Housing at the price points intended for workforce and lower-income occupants cannot be built without additional financial assistance provided by the use of tax increment financing. As required by Section 18-2113 of the Community Development Law, the City has analyzed the costs and benefits of the proposed Project, as follows:

Public Tax Revenues

NW48 Apartments Redevelopment Project	Amount
(a) Base Value	\$1,350,000
(b) Estimated New Assessed Value	\$41,503,638
(c) Increment Value = (b) – (a)	\$40,153,638
(d) Annual TIF Generated (Estimated) = (c) * 1.988570%	\$798,483
Funds Available = (d) x 20 years @ 5.5%	\$9,612,000

The 2023 preliminary assessed value of the Project Site is \$1,350,000. Upon completion of the Project, the assessed value of the Project Site will increase by an estimated \$40,153,638 as a result of the private investment for the Project. This will result in an increase in estimated annual property tax collections during the 20-year TIF period of approximately \$798,483, which will be available to finance the costs of construction of the public improvements related to the Project.

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 streets, sidewalks, and other public infrastructure in the Redevelopment 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 Project Area

City of Lincoln, Nebraska
NW 48th Street Redevelopment Area
Redevelopment Plan

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. Instead, it is anticipated that the construction of two hundred eighty-nine (289) multi-family dwelling units as part of the Project will create additional housing for the workforce population in the area of the Project. Additionally, the Project will support temporary construction jobs during the redevelopment of the Project Site.

Employment in the City outside the Project Area

There are approximately 146,580 persons employed in 8,721 total establishments in Lancaster County according to the United States Census Bureau's County Business Patterns 2020 data. The median household income for the City was \$60,063 according to the 2016 – 2020 American Community Survey 5-Year estimates. The anticipated job creation resulting from the construction of the Project is not expected to adversely affect employment in the City outside the area of the Project. The Project should increase the need for services and products from existing business in and around the Redevelopment Area. The Project will help to meet the affordable housing goals of the City of Lincoln as a whole.

Impacts on Student Populations of School District

It is anticipated that the Project will increase the student population of Lincoln Public Schools. However, the Project will meet the demand for additional housing in the City.

Arnold Elementary School is located north of the Project Area. Arnold Elementary School opened in 2009 and serves 750 K-4 students. Arnold Elementary School should have the capacity to handle any population increase from the Project.

There is no middle school in or near the Project Area. Currently, students in this area of the City attend either Park Middle School, Goodrich Middle School, or School Middle School. As the population of this area continues to increase, Lincoln Public Schools may want to consider building a middle school in the area.

The new Lincoln Northwest High School is adjacent to the project and should have the capacity to handle any population increase from the Project.

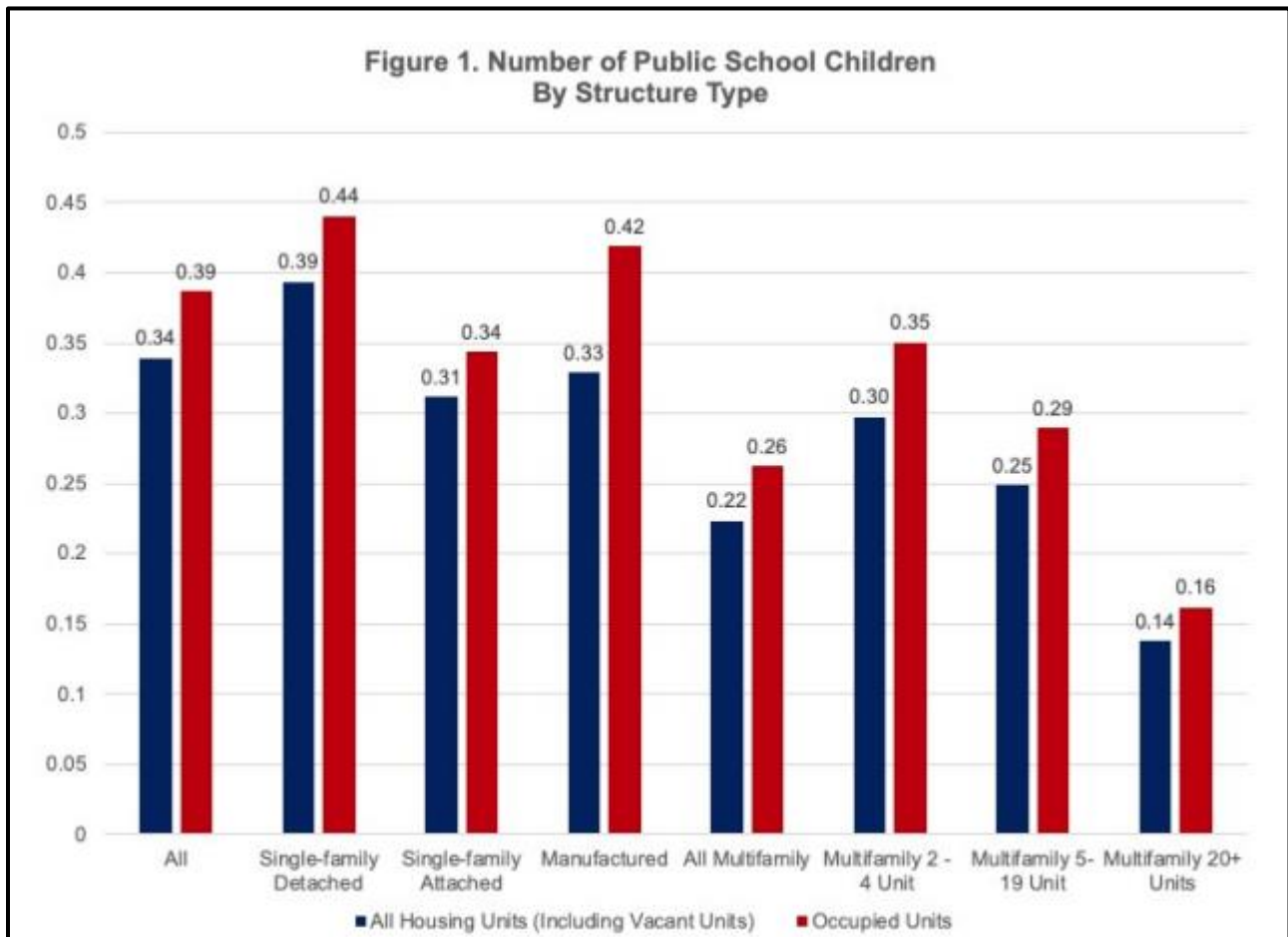
The Project will create two hundred eighty-nine (289) multi-family dwelling units. Certain assumptions can be made about the resulting increase in student population from this Project:

- According to statistics from the National Association of Home Builders, in Nebraska, the average number of public-school children in renter-occupied units for multifamily buildings with 20 or more units is 0.096.
- According to the most recent 2018 American Community Survey (ACS) data of national averages, the average number of public-school children in multifamily buildings with 20 or more units is 0.14.

NAHB – Nebraska data

Nebraska								
	All	Single-family Detached	Single-family Attached	Manufactured	All Multifamily	Multifamily 2 to 4 Units	Multifamily 5 to 19 units	Multifamily 20+ Units
All Housing Units	0.385	0.448	0.296	0.521	0.154	0.255	0.158	0.084
New Construction	0.290	0.458	***	***	***	***	***	***
Existing Homes	0.386	0.448	0.303	0.522	0.156	0.255	0.158	0.085
All Occupied Units	0.425	0.488	0.324	0.745	0.172	0.283	0.177	0.093
Recent Movers	0.365	0.562	0.576	***	0.190	0.258	0.177	0.160
Into New construction	0.410	0.583	***	***	***	***	***	***
Into Existing Homes	0.364	0.561	0.611	***	0.191	0.258	0.177	0.163
Non-movers	0.435	0.481	0.262	0.815	0.162	0.296	0.178	0.057
Owner Occupied Units	0.440	0.450	0.050	0.749	0.020	0.045	***	***
Recent Movers	0.492	0.560	0.109	***	0.103	0.180	***	***
Into New construction	0.437	0.488	***	***	***	***	***	***
Into Existing Homes	0.440	0.449	0.051	0.750	0.020	0.045	***	***
Non-movers	0.437	0.443	0.043	0.803	***	***	***	***
Renter Occupied Units	0.401	0.757	0.628	0.778	0.179	0.303	0.184	0.096
Recent Movers	0.321	0.578	0.750	***	0.194	0.267	0.183	0.161
Into New construction	***	***	***	***	***	***	***	***
Into Existing Homes	0.403	0.757	0.647	0.778	0.181	0.304	0.184	0.097
Non-movers	0.439	0.816	0.576	0.946	0.171	0.323	0.184	0.059

ACS national data



Based on the foregoing data, approximately 27 to 40 public school children can be anticipated living in an apartment complex like the Project. It is not anticipated that the Project will have an adverse impact on the middle or high school student population. The project could adversely impact the elementary student population in the area.

Other Impacts

The Project will create additional housing in the City. The Project is consistent with the policy of the *Lincoln-Lancaster County 2050 Comprehensive Plan* and the *Lincoln Affordable Housing Coordinated Action Plan* in that it provides safe housing for a variety of incomes and households with an emphasis on affordability for people in the 70% - 80% range of Area Median Income (AMI). Further, the Project provides appropriately placed density.

The development of the Project will eliminate the existence of blight and substandard conditions and will attract residents and businesses to the Redevelopment Area and the City of Lincoln.

The Project should have a positive impact on private sector businesses in the Redevelopment Area and in the City. It should attract additional private investment in and around the Redevelopment Area.

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 20 years, there will be additional revenue generated by the Project from, for example, sales tax paid by the resident of the apartment complex. Upon completion of the TIF period, the Project will benefit the community through higher property tax revenue.

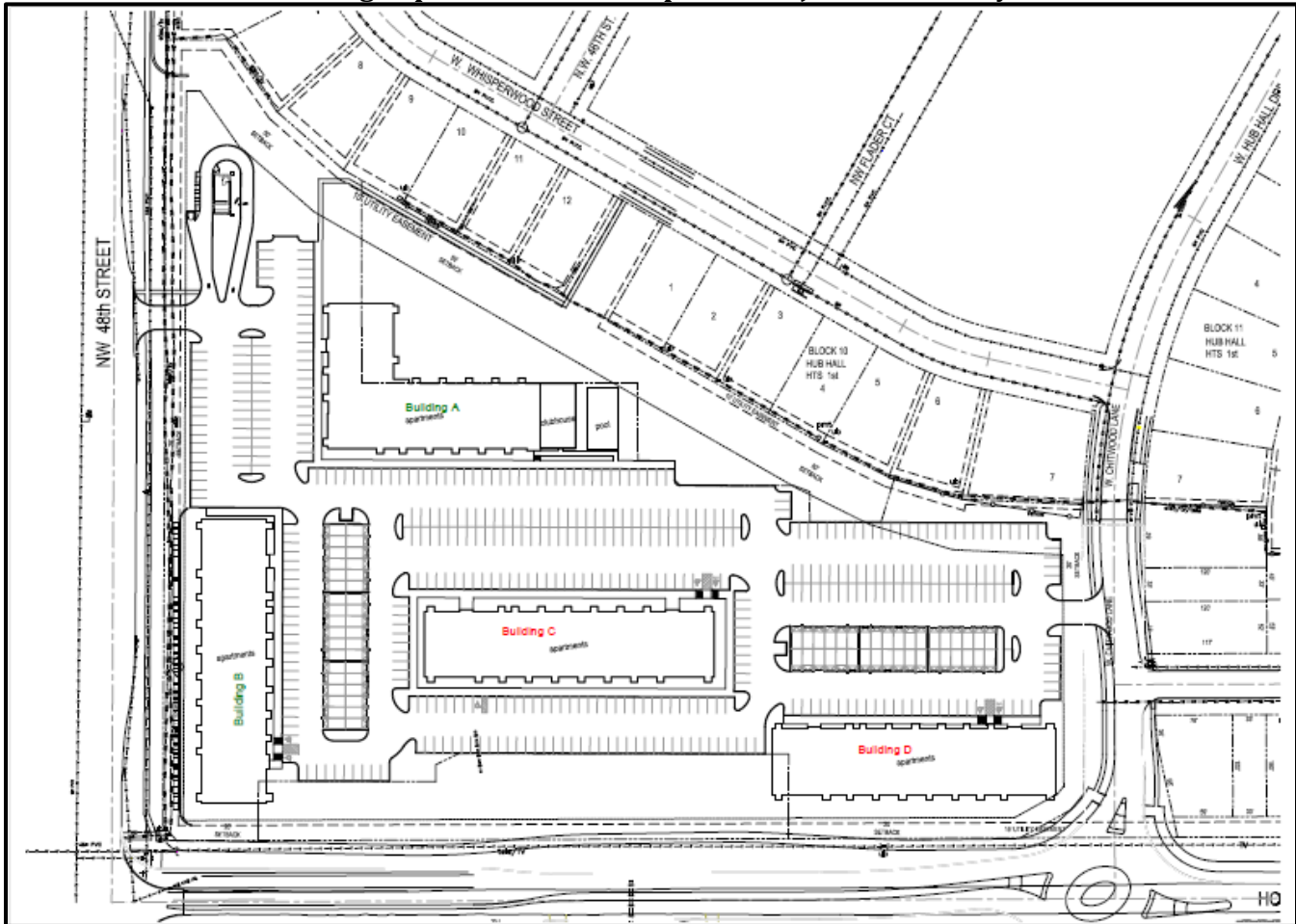
Finding the Need for TIF

Section 18-2116 of the Community Development Law requires the City Council to make the following findings before authorizing the use of tax increment financing:

- The redevelopment project as proposed would not be economically feasible without the use of tax increment financing; and
- The redevelopment project as proposed would not occur in the community redevelopment area without the use of tax increment financing.

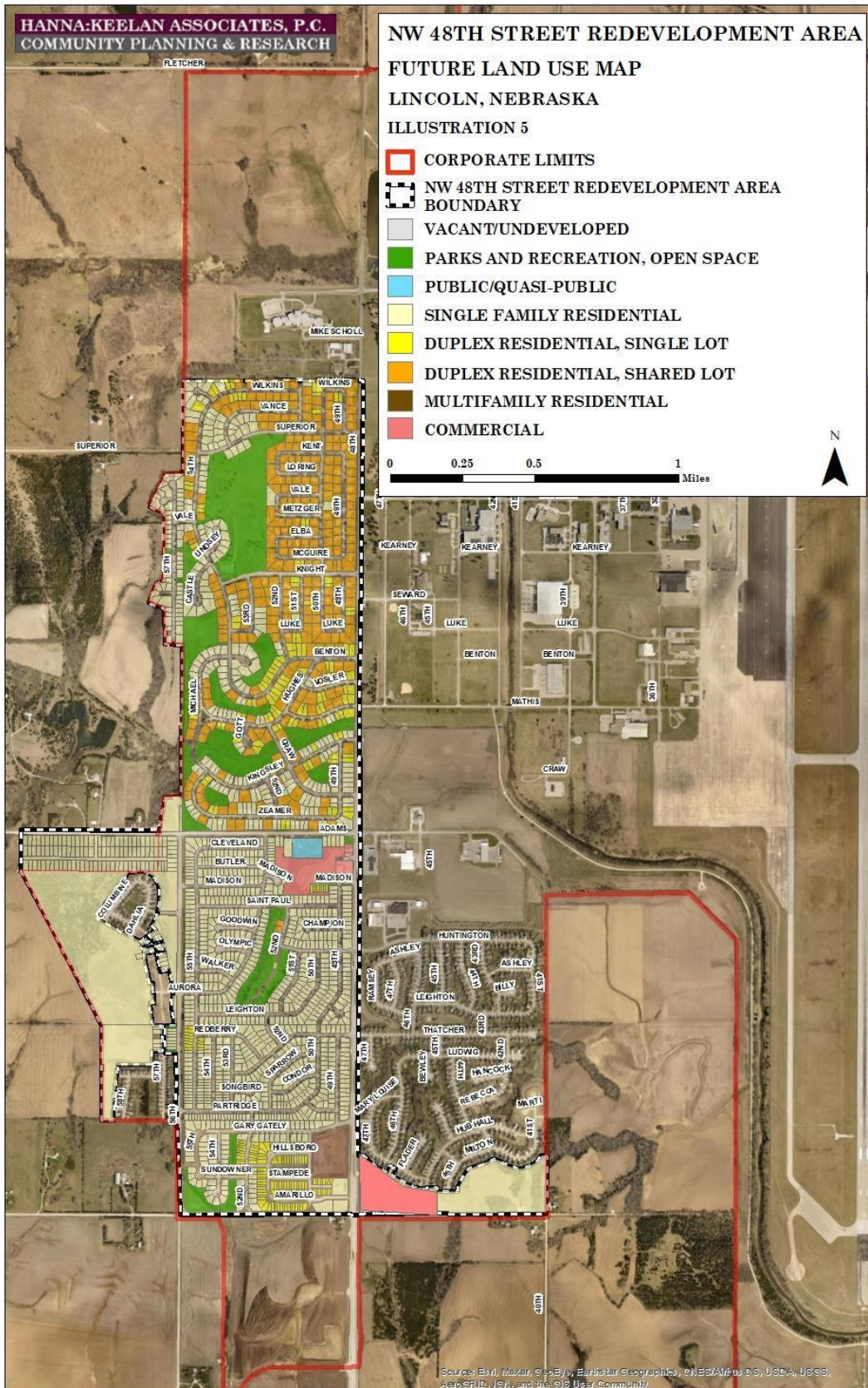
The Urban Development Department believes that the private and public improvements proposed in this [appendix] would not occur “but for” the utilization of tax increment financing in the Redevelopment Area. It would not be economically feasible for the Redeveloper to construct the Project improvements without tax increment financing because the existing site conditions constitute a barrier to development that cannot be adequately remedied without the use of tax increment financing. Additionally, it would not be financially feasible for the Redeveloper to ensure that at 20% of the units remain affordable to tenants earning approximately 60% of AMI without the use of TIF. The cost of construction is simply too high to create affordable housing in this Project without the use of TIF.

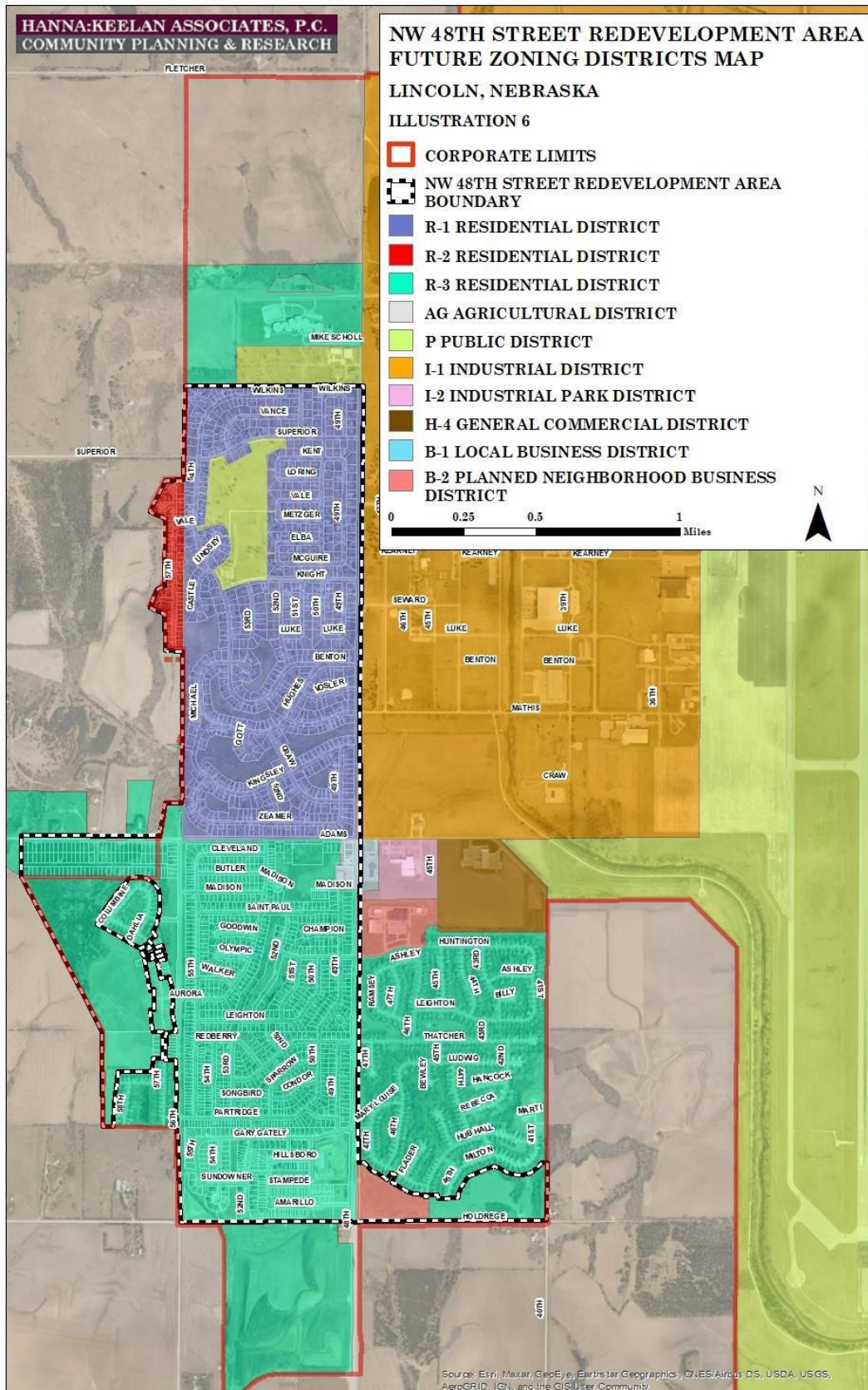
Woodside Village Apartment Redevelopment Project Preliminary Site Plan



Future Land Use and Zoning Districts.

Illustration 5 is a **Future Land Use Map** and **Illustration 6** is a **Future Zoning Districts Map** for the **NW 48th Street Redevelopment Area**. As the **Redevelopment Area** is a relatively stable, existing neighborhood, major zoning or land use changes are not envisioned for most of the **Area**.





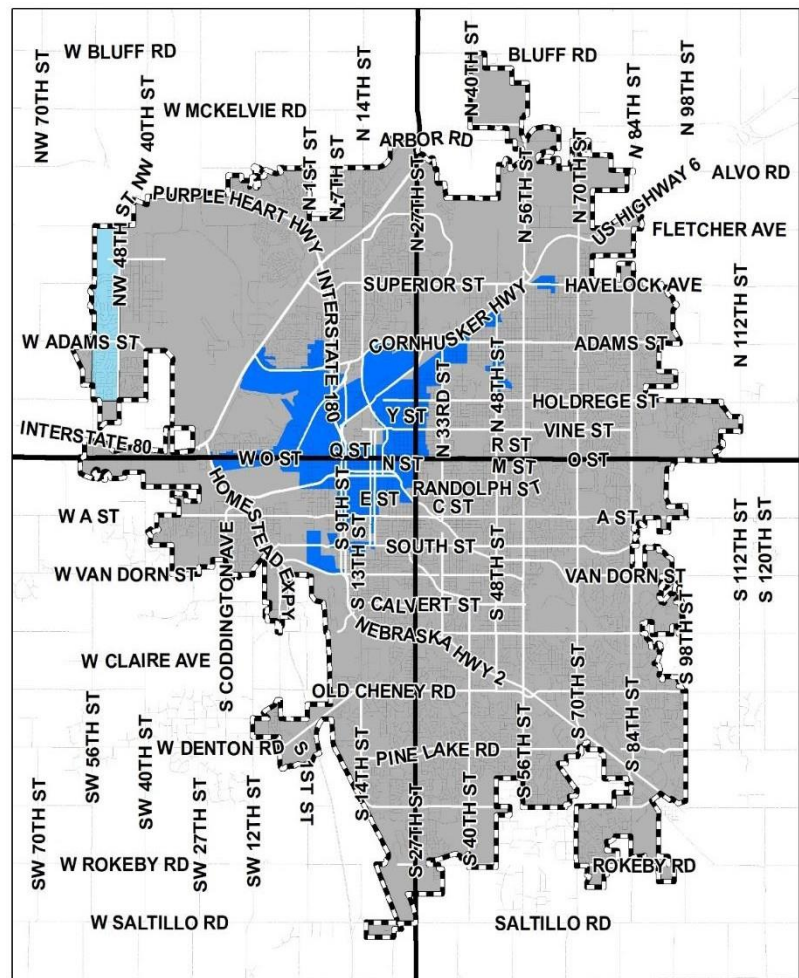
Extremely Blighted Determination.

Upon approval of the **NW 48th Street Extremely Blighted Determination Study**, the entirety of the **NW 48th Street Redevelopment Area** may be deemed **Extremely Blighted**, opening additional tools and funding mechanisms to support redevelopment efforts in the **Area**.

A \$5,000 State income tax credit is available for residents purchasing a home in an **Extremely Blighted Area**, provided the house is their primary residence. Through incentivizing homeownership, the tax credit will support stability and reinvestment in the **Redevelopment Area**.

In the allocation of the Nebraska Affordable Housing Trust Fund, the Nebraska Department of Economic Development gives priority to projects located in **Extremely Blighted Areas**. Thus, Community Housing Development Organizations will be incentivized to target new construction and rehabilitation projects in the **Redevelopment Area**.

Extremely Blighted Areas may also serve as prioritized focus areas for new funding sources supporting the development of affordable and/or workforce housing. Redevelopment incentives such as density bonuses or extended TIF repayment periods may target **Extremely Blighted Areas**. Such policies could encourage increased redevelopment in the **NW 48th Street Redevelopment Area**.



Proposed Extremely Blighted Areas

Illustration 7



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Redevelopment Process.

Public improvements and redevelopment activities may require construction easements, vacating of street and alley rights-of-way, temporary and permanent relocation of businesses and residences, demolition and grading, disposal/sale of property and site preparation including driveway easements, paving driveways, approaches and sidewalks outside property lines, relocation of overhead utility lines, and rerouting/upgrading of underground utilities, as needed. The process for these activities include the following:

- **Property Acquisition:** The City may acquire the necessary fees, easements, property and covenants through voluntary negotiations (See *Land Acquisition Policy Statement*, on file at the Urban Development Department and available upon request).
- **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 Relocation Assistance, on file at the Urban Development Department and available on request).
- **Demolition:** Demolition will 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:** Future 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 according to City requirements.
- **Requests for Proposals:** Architects and engineers will follow the City's standard selection process for the design of public facilities and improvements. Primary contractors for public facilities and improvements will also be competitively selected according to City requirements.

Conformance with Comprehensive Plan.

PlanForward, the Lincoln-Lancaster County Comprehensive Plan, adopted November 22, 2021, as amended, represents the local goals, objectives, and policies of the City of Lincoln and Lancaster County. **The NW 48th Street Redevelopment Plan** was developed to be consistent with the **PlanForward 2050**.

Financing.

The primary burden for revitalization of the **NW 48th Street 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 redevelopment 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.

Sources of funding may include:

- Special Assessments – Business Improvement Districts
- Private Contributions
- Sale of Land (Proceeds from the sale of land acquired for redevelopment, as identified in the **Redevelopment Plan**, may be reinvested in the **Redevelopment Area**)
- Municipal Infrastructure Redevelopment Fund (MURF)
- Community Development Block Grant Funds (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 Grants
- Interest Income
- Advance Land Acquisition Fund – property rights/easements, public facility site acquisition
- Impact Fees

Redevelopment 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 20 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 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 loan, of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, priority 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 country 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 for each Redevelopment Project shall be identified in the project redevelopment contract or in the resolution of the authority authorizing the issuance of bonds pursuant to Neb. Rev. Stat. Section 18-2124.