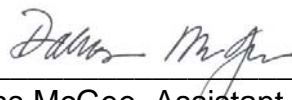


# West O Street Redevelopment Plan

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Approved:

A handwritten signature in dark ink, appearing to read "Dallas McGee", is positioned above a horizontal line.

Dallas McGee, Assistant Director  
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# Introduction

The *West O Street Redevelopment Plan* is a guide for redevelopment activities within the Redevelopment Area. Exhibit 1, on the following page, illustrates the location of the area within the broader context of the City of Lincoln. The boundaries are generally West P Street on the north, the first set of railroad tracks south of West O Street to the south, 9<sup>th</sup> Street on the east and NW/SW 70<sup>th</sup> Street on the west. Located in west-central Lincoln, the West O Street corridor is an entryway that introduces both visitors and residents to Lincoln. The area consists primarily of commercial and industrial uses as well as a sizeable amount of undeveloped land. A small amount of residential is located to the north along P street, consisting primarily of mobile home courts. The Redevelopment Area contains approximately 1,361 acres.

Entryway corridors are a community's "front door." It is acknowledged that the corridor's landscaping, commercial signage and building character provides the first, and oftentimes, the most lasting impression of the entire community. Yet the West O corridor does not necessarily provide the most desirable lasting impression. The west end of the corridor is characterized by predominately vacant land with sporadic industrial development. Although these land uses are appropriate for the area, the lack of continuity and unity give the corridor no sense of place; that is, this front door to Lincoln is vague and ill-defined.

Functional and economic obsolescence is prevalent in the properties throughout the center portion of the Redevelopment Area. The original 1920 to 1950 commercial and industrial buildings have slowly been replaced with new construction; however, several smaller scale brick and masonry buildings remaining have been allowed to deteriorate to the point of being dilapidated. At best, these structures allow for limited commercial use. In addition, a vacant car lot and a large automotive salvage yard do not represent the most positive characteristics of a redeveloping commercial corridor.

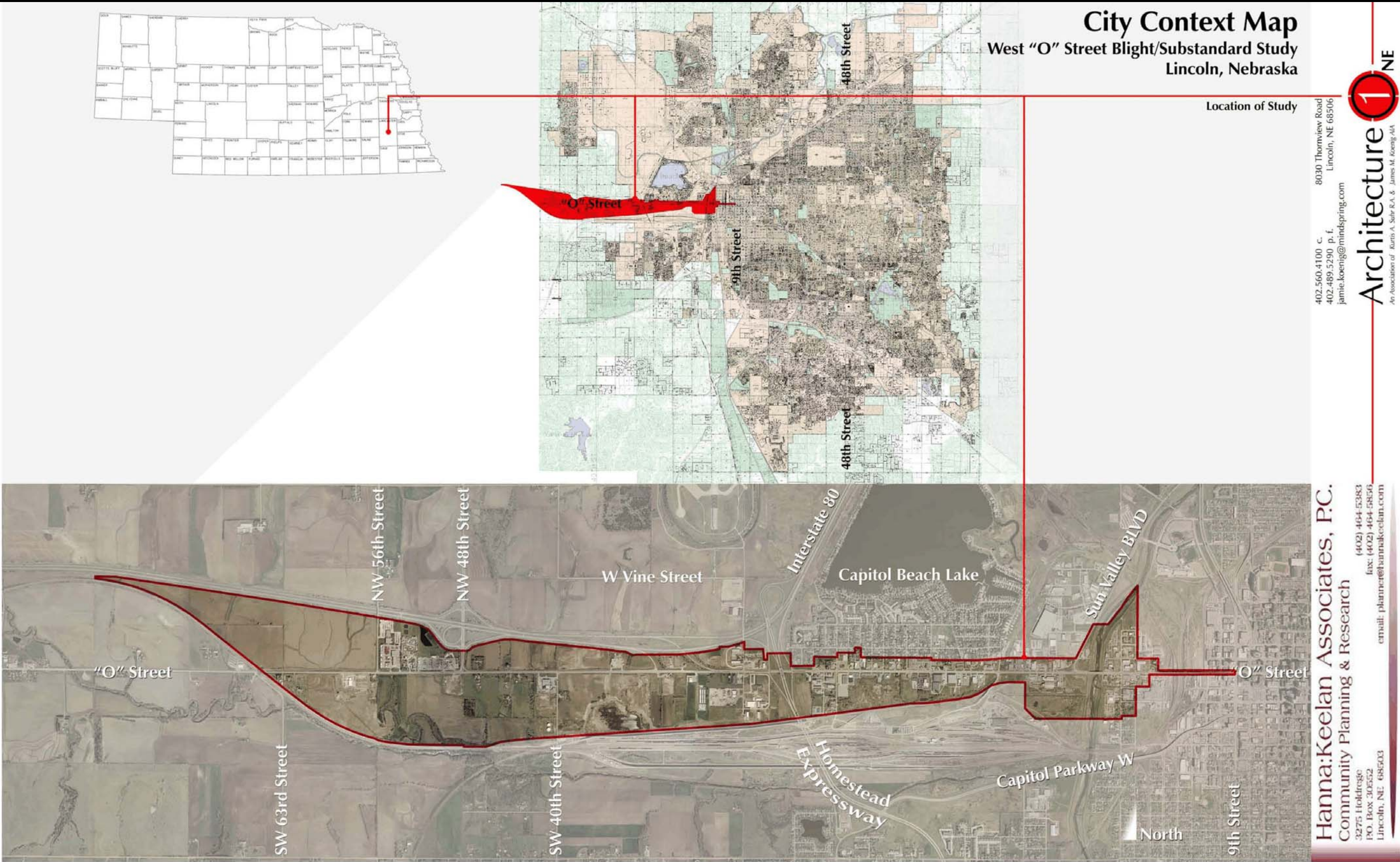
Incompatible and mixed land uses exist in high concentrations in the eastern portion of the Redevelopment Area, east of Capitol Beach Boulevard and especially east of Salt Creek, close to 1<sup>st</sup> Street. A mobile home park, single family dwellings and the People's City Mission are located adjacent to automotive salvage yards, body shops, used car dealers and a cement ready-mix plant. Land use conflicts occur within the area which is lacking proper separation and buffering.

As a result of these conditions, the City of Lincoln commissioned a *Blight and Substandard Determination Study*. The Study, completed in June, 2005 concluded that the number, degree and distribution of blighting factors warrant designating the area blighted and substandard.

The City recognizes that continuing blight and deterioration is a threat to the stability and vitality of the West O Street area and that revitalization efforts cannot reasonably occur without public action. The *West O Street Redevelopment Plan* represents the City's efforts to guide public and private redevelopment of the area.



Exhibit 1: Redevelopment Area



## Plan Requirements

Redevelopment activities are guided by *Community Development Law*, Neb. Rev. Stat., Section 18-2101, et. seq. (as amended). The 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 its Urban Development Department to act as a redevelopment authority under the applicable Law.

The Urban Development Department has formulated, for the City of Lincoln, a workable program for utilizing appropriate private and public resources to eliminate or prevent the development or spread of urban 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, 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 of a redevelopment plan as follows:

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

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

1. the boundaries of the redevelopment project area with a map showing the existing uses and condition of 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;
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:



1. are in conformance with the general plan for redevelopment in the City and,
2. represent a coordinated, adjusted, and harmonious development of the city and its environs. These determinations are in accordance with:
  - a) present and future needs, to promote health, safety, morals, order, convenience, prosperity;
  - b) the general welfare; and
  - c) efficiency and economy in the process of development.

Factors considered in the determination included among other things:

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

This plan was reviewed by the Lincoln/Lancaster County Planning Commission for compliance with the Comprehensive Plan and copies of the related staff report and Commission action accompany this Plan.

# Existing Conditions

## Land Use

The West O Redevelopment Area is a linear block of land located in west-central Lincoln. The area extends from West P Street on the north to the first set of railroad tracks south of West O Street to the south, 9th Street to the east, to NW 70<sup>th</sup> Street to the west. The western end of the Redevelopment Area between SW 40<sup>th</sup> and SW 70<sup>th</sup> Streets is largely undeveloped land. The eastern end of the Redevelopment Area is predominately commercial, business, with some industrial uses. The Harris Overpass, which is currently under design, links the West O Street area to downtown Lincoln. The commercial activity begins at 2<sup>nd</sup> Street and continues west. Exhibit 2, on the following page, illustrates current land use patterns.

The study area consists of 1,361.3 total acres. Approximately 14.7 percent of the land use in the area is Streets/Highways and railroad right-of-way. Commercial use is approximately 9.5 percent of the total area and residential area comprises 2.5 percent of the total area. Total land developed is 39.5 percent and vacant land consists of 823 acres or 60.5 percent.

Current land uses in the Redevelopment Area consists predominately of commercial uses along the West O Street corridor. There is some residentially zoned land along West “P” Street; however, the majority of the area includes retail, light industrial, auto sales and service businesses and undeveloped land. The Burlington Northern roundhouse is located just to the south of the Redevelopment Area at RoundHouse Road.

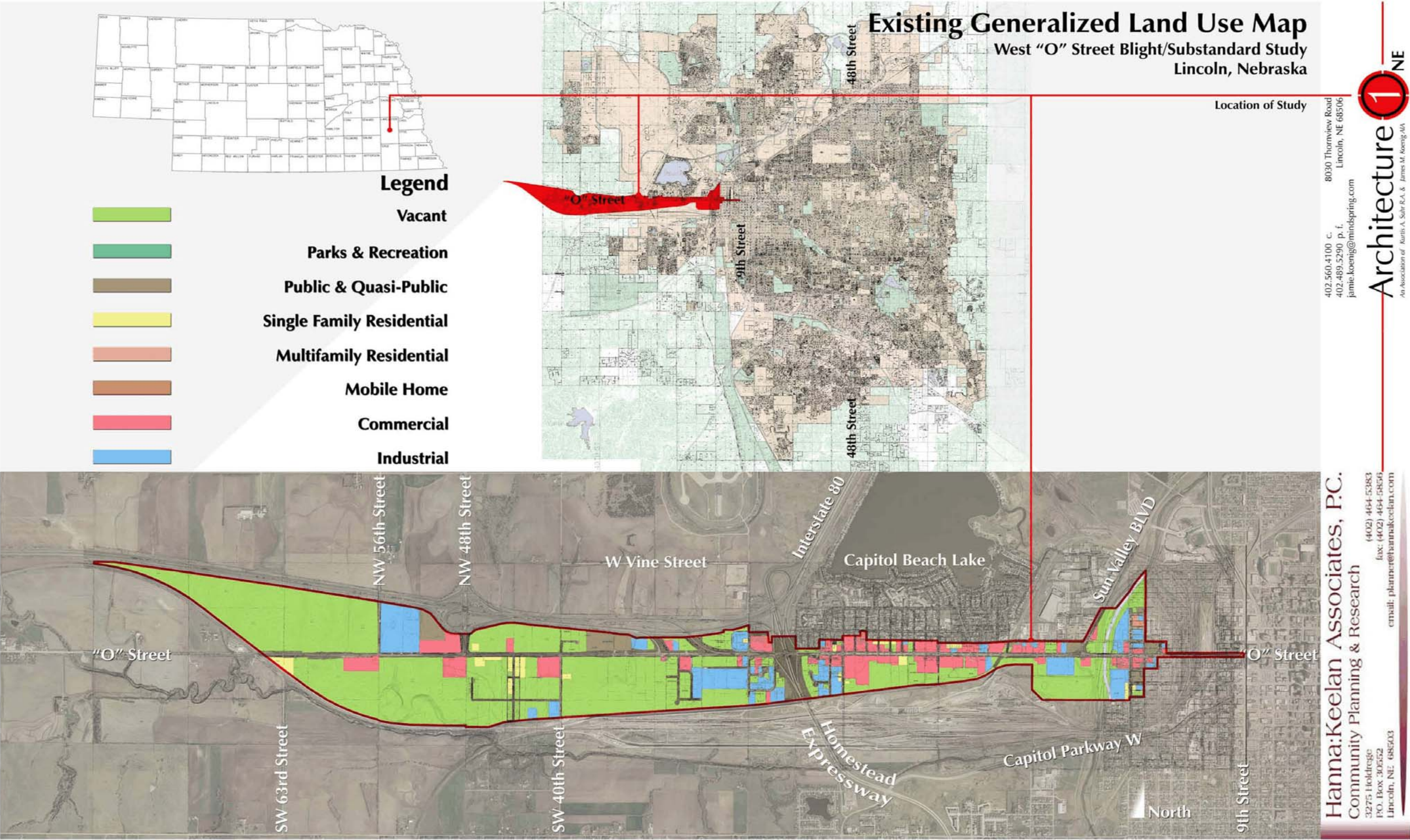
The entire West O corridor is located within a Capitol View Corridor. The purpose of the Capitol View Corridor is, “...to protect and promote the positive physical character through special design requirements that protect the environs and views of the State Capitol Building – our community’s signature urban design asset...”. (*Lincoln-Lancaster County Comprehensive Plan*, adopted May 28, 2002, page F19)

An analysis of the subdivision conditions conducted during the *Blight and Substandard Determination Study for the Redevelopment Area* indicates that improper subdivision and obsolete platting is prevalent throughout. Specifically, several areas were identified, such as the western portion of the area, generally west of Highway 77, contains “a substantial amount of individual parcels that are Irregular Tracts, described by a meets and bounds survey.” The Study goes on to explain that the Irregular Tracts range in size from 11 - 40+ areas. The large tracts of land have been detrimental to commercial development along west O Street, an example given is between SW 20<sup>th</sup> and Sun Valley Boulevard. In many cases, the original tract was not subdivided, leaving the vacant portion of the lot to deteriorate.

Efforts to overcome problems of inadequate subdivision and obsolete platting requires the purchase of adjacent parcels. However, this is complicated due to the irregular shapes and varying sizes of adjacent parcels, not to mention the negotiation with, in some instances, several land owners. This redevelopment plan will give the City and developers the opportunity to handle the situation more holistically rather than parcel-by-parcel. Such public-private partnerships will be necessary to overcome the obstacles mentioned above.



Exhibit 2: Existing Generalized Land Use



The *Blight and Substandard Study* reviewed building uses, property ownership and subdivision records. Also conducted were condition surveys and field surveys in determining lot layout, adequacy and accessibility or usefulness of land within the West O Redevelopment Area. Inadequate lot size was identified as a concern, because the lots created by subdivisions in the past were generally too large, according to today's standards. Many of the individual parcels were subdivided by meets and bounds description (Irregular Tracts), rather than by a typical subdivision plat.

More than half of the plotted and subdivided property in the Redevelopment Area is unimproved land that has been within the City limits for forty years and has remained unimproved during that time. The conclusion presented in the *West O street Blight and Substandard Study* is that problems relating to faulty lot layout are present to a strong extent.

The blight and substandard study also describes the incompatible and mixed land uses in the eastern portion of the Redevelopment Area. For example, a mobile home park single family dwellings and the People's City Mission are adjacent to an automobile salvage yard, body shops, a cement ready-mix plant and used car dealers.

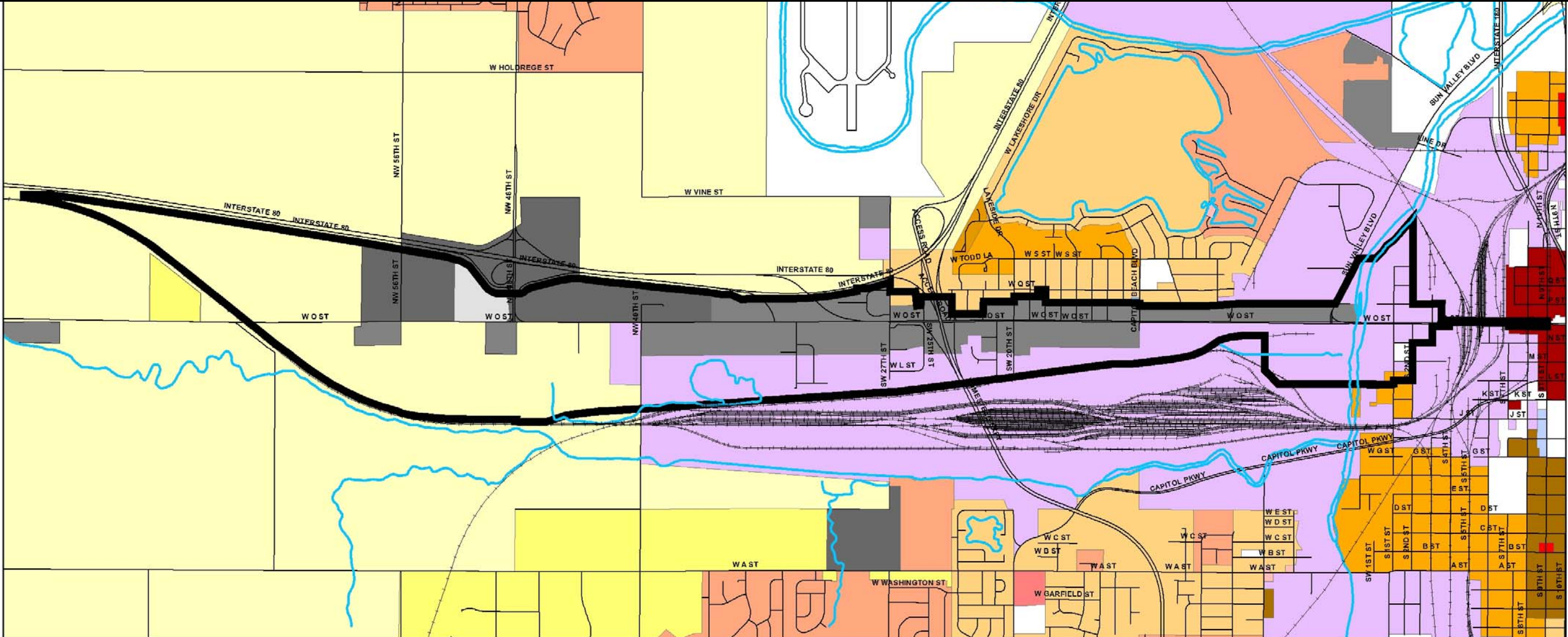
Two examples of functionally and economically obsolescent businesses to an evolving commercial corridor are the former Lincoln Steel, located on the south side of West O Street at Sun Valley Boulevard that has been abandoned for two years, and the automobile salvage yard (mentioned above) at north of West O Street and west of 1<sup>st</sup> Street.

## Zoning

The existing zoning districts within the Redevelopment Area are primarily comprised of commercial and industrial zoned districts (see Exhibit 3, next page). North of the Redevelopment Area are residentially zoned areas and to the south is the Burlington/Sante Fe railroad yards (I-1) and agricultural uses.

- **H-1 Interstate Commercial District** - usually located near the interstate highway, intended to serve highway travelers where hotels, service stations, garages, and restaurants should be located. This zoning district can be located in the western-most section of the Redevelopment Area
- **H-3 Highway Commercial District** - represents low-density commercial uses that require high visibility and/or access from major highways. The uses permitted generally include those of the neighborhood and highway business areas. This zoning district is distributed throughout the Redevelopment Area.
- **I-1 Industrial District** - represents light and heavy industrial uses and has a relatively high intensity of use and land coverage.





# Zoning

### Legend

**West O Redevelopment Area**

**Legend:**

- Streams
- Railroad
- West O Redevelopment Area**

**ZONE**

B-4	I-1	P	R-6
B-5	I-2	R-1	R-7
AG	H-1	R-2	R-8
AGR	H-2	R-3	R-T
B-1	H-3	R-4	
B-2	H-4	O-3	R-5
B-3			

Map prepared by City of Lincoln, Urban Development Dept 8/05

- ***R-5 Residential District*** - provides moderate residential density of between six and ten dwelling units per acre. 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. One small area in the Redevelopment Area just west of Homestead Expressway is zoned R-5.
- ***Public Use District*** - provides a district essentially for mapping purposes which will identify real property of one acre or more presently owned and used by any governmental entity, including local, state, or federal governmental units and put to some form of public use. One small area south of O Street at S. 1<sup>st</sup> Street is zoned P.

## Public Facilities

### ***Parks and Open Spaces***

Lakeview Park is located within the Redevelopment Area at NW 20<sup>th</sup> & W. Q Streets. Lakeview is classified as a neighborhood park, but lacks improvements characteristic of a neighborhood park. Although it provides services to the surrounding neighborhood, improvements are needed including a shelter, playground equipment, play court, a drinking fountain and walkway connectors.

There is abundant open space north of the Redevelopment Area that offers exercise and recreational activities at various levels. Just north of the Redevelopment Area is Oak Lake Park located at Sun Valley Boulevard and Charleston Streets. The park offers fishing, several picnic areas and playground equipment. Directly south of Oak Lake Park is the BMX Track, which is City land leased to a private organization. BMX enthusiasts use the track for both formal/competitive racing as well as practice and leisure riding. Oak Creek Dog Run is located at 1<sup>st</sup> and Cornhusker Streets and offers dog owners several acres of open space to run and walk their pets. Hobby Town leases city land just south of the Oak Creek Dog Run that offers miniature car racers a track to pursue their hobby.

### ***Transportation***

#### ***Traffic Circulation***

The Redevelopment Area is bounded on the south by the Burlington Northern Santa Fe Railroad. On the north, the boundary generally follows P Street, beginning at North 3rd Street and continuing west. It intersects Interstate 80, a short distance west of the Highway 77 interchange, then continues along the Interstate 80 corridor to approximately NW/SW 70th Street. The primary roadways bisecting this area include NW 48th Street, Highway 77 ( Homestead Expressway ) and Sun Valley Boulevard. O Street, functioning as US-34, runs the entire length of the study area. The current design of O Street includes 2 travel lanes in each direction with a common left turn lane for a majority of the study area. Exceptions to this are the major intersections which are designed with raised medians.

NW 48th Street intersects the study area with its south terminus point being West O Street, while its north terminus point is Highway 34. NW 48th Street is the single primary roadway serving both residential and business needs in the Air Park area. However, potential future commercial and residential growth in this area will result in a significant increase in traffic volumes, thus confirming NW 48th as a vital link in the transportation network. This corridor was under study in an effort to identify the improvements necessary to accommodate the proposed land uses and associated increase in vehicular volumes.

Highway 77 (Homestead Expressway) is located near the center of the study area, providing direct access via an interchange to O Street as well as Interstate 80. This roadway, currently classified as an expressway, is located along the west side of city. It allows motorists with destinations other than Lincoln the opportunity to bypass local arterial streets, accessing either Interstate 80 on the north or Highway 77 and Highway 2 on the south. An interchange is currently under construction at the intersection of Capitol Parkway West and Homestead Expressway, with completion tentatively scheduled for 2006.

Sun Valley Boulevard intersects West O Street towards the eastern end of the study area and continues north to its ultimate intersection with 11th Street and Cornhusker Highway. Since Sun Valley Boulevard provides motorists traversing West O Street with a direct connection to Cornhusker Highway, it is considered a vital link in not only the transportation network but is also vital to the success of businesses in the area. Future improvements will result in the widening and re-alignment of Sun Valley Boulevard which will accommodate future traffic volumes and promote development along this corridor.

West O Street (or Highway 34) functions as the primary east-west thoroughfare through this area with Average Daily Traffic (ADT) volumes ranging from approximately 10,400 on the west end to approximately 25,000 on the east end. Primary north-south routes include NW 48th Street (ADT of 8,100), Highway 77 (ADT of 23,600 north of West O and 15,800 south), and Sun Valley Boulevard (ADT of 14,400). Nearly all of the regional traffic entering the Redevelopment Area will need to use one of these facilities. Most streets south of West O Street are either dead end or looped streets, which promote poor development and accessibility.

### ***Access Issues***

Numerous driveways on an arterial degrades traffic flow and results in a major issue because it creates conflict points in traffic flow. Whenever vehicles enter or exit traffic flow, it impedes the flow of traffic and creates safety hazards. Vehicles entering and exiting driveways on arterial streets impede traffic flow which generally results in a higher number of crashes. Therefore, a goal of the Redevelopment Plan should be overall reduction of driveways in the area.

### ***Parking***

On-street parking is provided in the residential and industrial areas within the Redevelopment Area. Data from *The Blight and Substandard Determination Study* indicates that the existing parking conditions are inadequate throughout the Redevelopment Area. Mobile home parks accounted for the majority of parcels with substandard surfaces and commercial and industrial uses accounted for 23 parcels with graveled parking lots. A number of the larger parking lots that are associated with vacant properties contain cracks and settlement that require repair.

### ***Transportation/Land Use Relationship***

The concept of accommodating urban growth while maintaining transportation system efficiency and preserving transportation resources for maximum effectiveness needs to be encouraged. A land use and transportation relationship will need to be developed in Redevelopment Areas which allow for greater user accessibility and greater internal connectivity. This concept is to promote a compact mix of land uses within a single development area that are complementary like retail, entertainment and employment together with housing. The close proximity of complementary mixed land uses combined with an appropriate transportation design will promote the use of alternative modes of travel which reduces off-site travel needs, and results in reducing vehicle trips and vehicle miles traveled. The integration of land use and transportation within the planning process is essential for compact development, mix of uses, pedestrian and

transit orientation, and internal traffic circulation. This process can improve overall transportation system efficiency by providing opportunities for multi-modal travel and congestion relief.

### ***Harris Overpass***

In 2003, the condition of the superstructure and substructure of the Harris Overpass were rated values of 4, which is considered to be poor condition and structurally deficient. The Harris Overpass currently has a sufficiency rating of 49.3, which places it in the category of deficient bridges. The bridge is 50 years old and has been exposed to de-icing salts for the same number of years, resulting in significant deterioration and distress to the shell and concrete structural elements. The bridge no longer expands and contracts as it should and needs to be replaced soon to avoid load restrictions or closure. Design is currently underway with construction expected to begin in 2007, as funding is available.

### ***Sidewalks and Pedestrian Activity***

Close to 69% of the Redevelopment Area (220 parcels) lacks sidewalks. These areas include several single family homes, three mobile home parks and the majority of industrial uses south of West O Street.

Sidewalk is complete along the north and south sides of West O Street, from Sun Valley Boulevard to NW and SW 22nd Street. This sidewalk was completed by property owners and the City through a Sidewalk District after some West O Street improvements were completed. This work occurred in 1997 and 1998 and the sidewalk is still in fair condition.

The Public Works and Utilities Department included construction of the sidewalk between NW 22nd and NW 27th on the north and south sides of O Street with a resolution approved by the City Council in 2002. However, this sidewalk has not been completed as a result of opposition by the West O Business Association. This work would have included crosswalks and pedestrian signals at the intersection of West O and the West Bypass on and off ramps. There are trails worn in the grass in this area indicating pedestrian activity. The completion of sidewalk through this segment is still recommended due to the motels and other pedestrian activity in the area.

In addition, along West P Street, sidewalk is not complete from near North Bell Street to Capitol Beach Boulevard. The sidewalk is complete along the north and south sides from N. Bell Street to Sun Valley Boulevard. It is recommended that this sidewalk be completed; however, until road improvements are completed, there is not an appropriate space in the right-of-way to complete this sidewalk.

Currently the rural cross section of West O Street from SW 27th to SW 70th Street does not provide an appropriate location for sidewalks. The Public Works and Utilities Department will include consideration for completion of sidewalk in this area as road improvements are designed. In addition, the Parks and Recreation Department has identified a future bike path along the north side of West O from SW 40th Street to NW 56th Street. As off site improvements are identified for the projects along West O Street, it is critical to include sidewalk construction with these improvements.

Pedestrian flow may be interrupted along the redevelopment corridor with high traffic volumes traveling at excessive speeds. Throughout most of the Redevelopment Area, West O Street has five lane of traffic moving at any given time. Pedestrians move safely east to west along the corridor, but those crossing West O find few signalized crossings.



## ***Public Transportation Services***

Transportation Service in the Redevelopment Area consists of one StarTran bus route - #12 Arnold Heights. This route operates along West O and West P Streets from downtown and along NW 48th Street north to the Arnold Heights and Olympic Heights residential areas. The route also serves the West Gate Industrial Park, Lincoln Air Park, West Gate Shopping and Lancaster County Corrections.

## ***Hiker/Biker Trails***

- *West Lincoln/Capitol Beach Trail*

*The Lincoln Area Current and Future Trails Network* identifies the need for a trail to connect the downtown area with the West Lincoln area. A future trail has been identified to be located along the north side of West O Street from 9th Street west to Sun Valley Boulevard. At Sun Valley Boulevard, the trail will go north to P Street at which point the trail proceeds west along P Street to Capitol Beach Boulevard. At that point, the trail will proceed north to W Street where the trail will end.

- *Salt Creek Levee Trail*

The trail along West O Street will also connect to the Salt Creek Levee Trail that is located on the east side of Salt Creek, east of Sun Valley Boulevard. This connection provides an important link with south Lincoln and the Jamaica North Trail on the south and Haymarket Park on the north.

- *SW 40th/SW 56th Street Trail*

An additional trail is identified along SW 40th street, coming from West A Street to West O Street. From this intersection, the trail will proceed west to SW 56th Street where it will go north to Holdrege Street. This trail will provide a connection with the SW Lincoln area and the NW Lincoln area. There have been discussions to possibly construct a pedestrian/trail overpass over Interstate 80 at approximately SW 40th, however those discussions are very preliminary.

## ***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. Utilities are in need of maintenance and, in some cases, replacement. A detailed analysis should be conducted to identify specific needs and projects, particularly on a case by case basis as redevelopment projects occur.

The West O Street Redevelopment Area is served by the following utilities:

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

## ***Water System***

The area west of NW 25th Street is served by the Belmont Pressure District; east of NW 25th Street is served by the Low Duty System. The Belmont Pressure District recently was improved with the addition of the Pioneers Pump Station, which provides a redundant pump station for that pressure district, and an improvement in operating pressures for that area west of NW 25<sup>th</sup> Street. The Air Park and the NW 12<sup>th</sup> Street Reservoirs provide floating storage for this pressure district.

The existing 16" main in "O" Street goes as far west as NW 56<sup>th</sup> Street. Connections are made to the south with 16" mains at SW 40th Street and to the north at NW 48<sup>th</sup> Street.

## ***Sanitary Sewer System***

Overall, the condition of the sanitary sewer system within the Redevelopment Area is satisfactory. The sewer mains west of Highway 77 are approaching 80 years of age. The following data describes systems in different sections of the corridor. Additional lines will be needed for growth and development west of NW 40<sup>th</sup> Street.

- *Sun Valley Boulevard & O Street*  
12" sanitary main crossing O Street east of Sun Valley Boulevard, along Salt Creek. This will be replaced with a larger sized main in the near future. It is part of the West O Street design for future growth that will be served by the West O trunk sewer to be installed in phases beginning later this year (2005).
- *Capital Beach Boulevard to east entrance of BNSF Hobson Yards*  
South side of O street 8" sanitary main was installed in late 80's and is good condition with no need for repair work on main or manholes.
- *Southwest 14<sup>th</sup> to Southwest 16<sup>th</sup> Street*  
South side of O Street 8" sanitary main, in fair to good condition with some minor repair work needed for cracked pipe.
- *Northwest 16<sup>th</sup> to Northwest 19<sup>th</sup> Street*  
North side of O Street, 8" main in good condition, was televised in 2004.
- *Southwest 23<sup>rd</sup> to Southwest 27<sup>th</sup> Street*  
South side of O Street, 8" main in good condition was televised in 2004.
- *Northwest 23<sup>rd</sup> & O Street*  
8" main crossing O Street, cast iron main televised 1983, no recent history.
- *Northwest 25<sup>th</sup> & O Street*  
8" main crossing O Street, in good condition televised in 2004.
- *Southwest 40<sup>th</sup> & O Street*  
15" main crossing O Street, was installed in 2003.
- *Northwest 37<sup>th</sup> to Northwest 40<sup>th</sup> Street*  
North side of O Street, 8" main installed in 2003.

### ***West O Street Storm Drain System***

The West O Street storm drain system consists of two different types of systems for conveying flow from north to south towards Middle Creek.

From NW 70 Street to approximately NW 22<sup>nd</sup> Street, the storm drain system consists almost entirely of culvert crossings, ranging in size from a 24" culvert to a 6.6 ft x 6.5 ft box culvert, draining small to relatively large drainage areas from the north to the south. The culverts drain to open drainage areas south of O Street, which typically have low gradients for eventual drainage to Middle Creek. The City Maintenance Division has reported issues with blocked outlets due to debris and vegetation in these areas. The culvert crossings are public while typically the open drainage areas are private. The area consists of some commercial uses along a relatively narrow corridor and is reflective of a rural storm drain system.

From NW 22<sup>nd</sup> Street to Salt Creek, the storm drain system consists of seven relatively small urban drainage systems with inlets and pipes that convey flow from north to south. The outlets for these systems range in size from 18" culvert to a 60" culvert. The drainage area to the north is relatively small because the drainage divide at the upper end is only a few blocks north of O Street. Similar to the drainage system to the west, the outlets usually drain to private open drainage areas which have chronic issues with blockage from debris and vegetation.

### ***Street Lighting***

The lights from NW 56<sup>th</sup> Street to NW 46<sup>th</sup> Street were installed by the State of Nebraska in 1977. Low pressure sodium vapor fixtures were installed on 40' galvanized steel mast arm poles with break away bases. Since that time, the State of Nebraska has reconfigured the intersection of NW 48<sup>th</sup> & O replacing and relocating several lights. The luminaries were converted to high pressure sodium vapor cobra-head fixtures in 1999. These poles are in fair condition.

There are no lights from NW 46<sup>th</sup> Street to NW 33<sup>rd</sup> Street.

The lights from NW 33<sup>rd</sup> Street to NW 22<sup>nd</sup> Street were installed by the State of Nebraska as part of the Salt Valley Roadway project in 1991. High pressure sodium vapor cobra-head luminaries were installed on 45' galvanized steel mast arm poles with break away bases. These poles are in good condition.

The lights from NW 22<sup>nd</sup> Street to NW 6<sup>th</sup> Street and from Salt Creek to 1<sup>st</sup> Street were installed by the City in 1994. High pressure sodium vapor cobra-head luminaries were installed on 40' galvanized steel mast arm poles. These poles are in good condition.

The lights from NW 6<sup>th</sup> Street to Salt Creek were installed by the City in 1974. Mercury vapor cobra-head luminaries were installed on 50' painted steel mast arm poles. The luminaries were converted to high pressure sodium vapor in 1979. These poles are in very poor condition.

The lights from 1<sup>st</sup> Street to 9<sup>th</sup> Street were installed by the State of Nebraska in 1980. High pressure sodium vapor shoe box fixtures were installed on 30' galvanized steel spoke arm poles. These poles are in good condition. In this same area, the City is working on a project to replace the Harris Overpass which will effect the lights on the overpass and possibly some of the lights to the west of the overpass.

## Historic Significance

Early uses that reflect the importance of this early transportation corridor are linked to much of the West O corridor, formerly known as the Detroit-Lincoln-Denver Highway. A milepost marking this historic highway can still be found at 2<sup>nd</sup> & West P Streets. The Lincoln Steel building, which is now vacant, has an historic older facade and the railroad water tower located just south of the redevelopment area has historic significance. The Lone Oak building, located just outside the western boundary of the redevelopment area, has landmark status. North of the area is Capitol Beach, a residential area that was once an amusement park. Lakeview Elementary School, built in 1923 and located at 300 Capitol Beach Boulevard, also has historic status.

Potentially eligible for National Register of Historic Places is the Watson-Brickson lumber yard, 660 N Street (extending all the way north to O Street) and the platform canopies of the Burlington Depot, especially the one along Track 3 which extends south nearly to O Street.

Watson-Brickson is the continuation of the Dierks Lumber yard, since the 1870s. The main lumber shed that is attached to the office was built in 1907. Dierks Lumber was a very large Lincoln wholesaler and had other operations, including a larger business in Kansas City. They were eventually absorbed into the Sutherlands lumber operation.

Also, the railroad canopies are part of the 1927 station construction. They are not within the legal boundaries of the Haymarket landmark District but in National Register terms they have contributing features and should be treated as National Register eligible.

## Blight and Substandard Determination 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:

1. Deterioration/dilapidation of structures.
2. Age or obsolescence.
3. Inadequate provision for ventilation, light, air, sanitation, or open spaces; or
4.
  - a. High density of population and overcrowding; or
  - b. The existence of conditions which endanger life or property by fire and other causes; or
  - c. Any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, and is detrimental to public health safety, morals, and welfare.

The consultant, through analysis, field survey, and a detailed exterior structural survey of 255 structures concluded that of the four factors set forth in the Nebraska Community Development Law (listed above), one factor was found to be present to a

strong extent, while the remaining three factors were present to a reasonable, but less significant extent. Factors 1, 2, and 3 were determined to have a reasonable presence of substandardness. Factor 4 was determined to have a strong presence.

### ***Blight Factors***

The Community Development Law identifies 12 factors that, when the majority are present, are sufficient to determine a finding of blighted.

1. A substantial number of deteriorated or deteriorating structures;
2. Existence of defective or inadequate street layout;
3. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
4. Insanitary or unsafe conditions;
5. Deterioration of site or other improvements;
6. Diversity of ownership;
7. Tax or special assessment delinquency exceeding the fair value of the land;
8. Defective or unusual conditions of title;
9. Improper subdivision or obsolete platting;
10. The existence of conditions which endanger life or property by fire or other causes;
11. Any combination of such factors, substantially impairs or arrest the sound growth of the community, retards the provision of housing accommodations or constitutes and economic or social liability; and
12. Is detrimental to the public health, safety, morals or welfare in its present condition and use; and in which there is at least one or more of the following conditions exists:
  - a) Unemployment in the study or designated blighted area is at least one hundred twenty percent of the state or national average;
  - b) The average age of the residential or commercial units in the area is at least 40 years;
  - c) More than half of the plotted and subdivided property in an area is unimproved land that has been within the city for 40 years and has remained unimproved during that time;
  - d) The per capita income of the study or designated blighted area is lower than the average per capita income of the city or village in which the area is designated; or
  - e) The area has had either stable or decreasing population based on the last two decennial censuses.

Of the twelve blight factors listed above, factors 3, 4, 5, 9, 10, and 11 are present to a strong extent and factors 1, 2, 6, and 12 are present to a reasonable, but more limited extent. It was the consultant's conclusion presented in the *Blight and Substandard Determination Study* 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.

# Redevelopment Plan

## Guiding Principles

West O Street is an entryway into Lincoln and acts as a front door, introducing visitors and residents to Lincoln. Given the existing zoning and land uses in the Redevelopment Area, primary uses are likely to continue to be commercial and industrial. However, given the entryway function of West O Street, the following guiding principles should be considered with any redevelopment projects:

1. Areas that require redevelopment, including areas with obsolete land uses or unresolvable land use conflicts, should be developed in ways that strengthen existing commercial, industrial and residential investments. Stable areas or marginal areas with viable future uses should be targets for rehabilitation reinvestment.
2. Separate, to the degree possible, local and through traffic movements.
3. Establish defensible edges between residential and non-residential uses. Use streets or green ways to provide boundaries, thus realizing the benefits of mixed use while screening the negative effects of commercial and industrial growth on residential environments.
4. Improve street landscaping, where possible, along parking lots or in conjunction with new developments.
5. Encourage redevelopment to occur as clusters or hubs with appropriate site design features that accommodate shared parking and ease of pedestrian movement within the site.
6. Redevelopment should occur in ways that strengthen and support the existing business community in the West O Street Redevelopment Area.

## ***Commercial and Industrial Development***

The Comprehensive Plan shows the area as predominately industrial and commercial. Guiding principles for redevelopment projects within the area, therefore, should follow the recommendations in the *Lincoln-Lancaster County Comprehensive Plan* (adopted as amended on May 28, 2002) for commercial and industrial development. The development strategy presented in the *Comprehensive Plan*,

“...seeks to fulfill two notable objectives: (1) the approach is designed to provide **flexibility** to the marketplace in siting future commercial and industrial locations; while at the same time (2) offering neighborhoods, present and future home owners, other businesses, and infrastructure that provides a level of **predictability** as to where such employment concentrations might be located” (Comprehensive Plan, pp. F 37-F 38).

The *Comprehensive Plan* Identifies the following General Principles for, “All Commercial and Industrial Uses: (p. F38)

Commercial and industrial districts in Lancaster County shall be located:

- within the City of Lincoln or incorporated villages
- outside of saline wetlands, signature habitat areas, native prairie and flood plain areas (except for areas of existing commercial and industrial zoning)
- where urban services and infrastructure are available or planned for in the near term



- in sites supported by adequate road capacity - commercial development should be linked to the implementation of the transportation plan
- in areas compatible with existing or planned residential uses
- in areas accessible by various modes of transportation (i.e. automobile, transit and pedestrian)
- so that they enhance entryways or public way corridors, when developing adjacent to these corridors
- in a manner that supports the creation and maintenance of green space as indicated in the environmental resources of the Comprehensive Plan.

### ***Moderate to Heavy Industrial Development***

The *Comprehensive Plan* identifies the area in the vicinity of NW 56<sup>th</sup> and Interstate 80 as a Heavy Industrial center. Heavy industrial redevelopment centers should consider the following principles:

- Generally over 80 acres in size.
- Primarily used for manufacturing, processing and assembly uses.
- May also include some warehouse, storage and contractor yard uses with a minor amount of supporting commercial use - but they should be over 75% industrial use.
- Site characteristics, buffering and appropriate zoning should be considered so that they enhance entryways or public way corridors, when developing adjacent to these corridors.

### ***Light Industrial Development***

The *Comprehensive Plan* identifies the area in the vicinity of south 1<sup>st</sup> Street as a light industrial center. Light industrial centers should consider the following general principles:

- Generally a minimum of 50 acres in size.
- Primarily for lighter manufacturing uses with some additional office and retail uses located within the center.
- Due to lesser potential impacts, the centers can be located closer to residential, though residential uses should be buffered through landscaping, large setbacks, and transitional uses, such as office or open space.

The Guiding Principles of the Redevelopment Plan, along with issues identified in the Existing Conditions section of this plan, provide the basis for the redevelopment projects.

# Redevelopment Activities: Public Improvements

Infrastructure issues that include streets, alleys, sidewalks, and utilities impede new development throughout the Redevelopment Area and contribute to the blighting conditions. Therefore, the following public improvement activities should occur:

## 1. Streets and Alleys

- Nearly all streets south of West O are either dead end or looped streets. Streets should be constructed in conjunction with redevelopment projects to eliminate dead end streets.
- The excessive number of driveways and access points along O Street impede traffic flow and create unsafe driving conditions. In conjunction with redevelopment projects, close/consolidate existing drives to help maintain traffic flows and increase safety while continuing to provide needed access to new and existing businesses.
- Dedicate and build public alleys as needed and pave alleys, in conjunction with redevelopment activities.
- Coordinate improvements in the West O Redevelopment Area with the Airport Sub-Area Study.
- Coordinate improvements in the West O Street Redevelopment Area with future improvements including widening and realignment of Sun Valley Boulevard.

## 2. Sidewalks and Pedestrian Movements

*The Blight and Substandard Determination Study* identified that nearly 69 percent of the parcels throughout the West O Street Redevelopment Area, or 220 parcels, lack sidewalks. These areas include several single-family dwellings, three mobile home parks and the majority of industrial uses south of West O Street. In addition, 11 parcels, or 3.4 percent of the total received a “fair” or “poor” sidewalk condition rating.

- Complete additional surveys and repairs and replace sidewalks as necessary, particularly in conjunction with redevelopment projects.
- Construct sidewalks where none exist, particularly between NW 22<sup>nd</sup> Street and SW 27<sup>th</sup> Street and between SW 27<sup>th</sup> Street and SW 70<sup>th</sup> Street. Sidewalks should also be constructed in conjunction with redevelopment projects.
- Construct pedestrian walkways or facilities internally within redevelopment project areas.
- Eliminate, to the extent possible, pedestrian vehicular movement conflicts particularly in the Capitol Beach Neighborhood, where conflicts occur when residents north of O Street attempt to access businesses located on the south side of O Street.

## 3. Parking

*The Blight and Substandard Determination Study* identified inadequate parking conditions throughout the area. Mobile home parks and some commercial and industrial uses have gravel parking surfaces and large lots in vacated auto dealerships contain cracks and settlement and are in need of repair.

- Pave gravel parking areas within redevelopment project areas.

- Improve and repair large lots associated with vacated auto dealerships.
- Improve parking surfaces where needed, particularly in conjunction with redevelopment projects.

#### **4. Public Transportation**

Provide transit opportunities within the Redevelopment Area, when feasible. May include construction of bus shelters, kiosks with transit information, and bus pullouts.

#### **5. Pedestrian/Bicycle Trails**

- Continue to identify and construct future trails including the West Lincoln/Capital Beach Trail, the Salt Creek Levee Trail, and the SW 40<sup>th</sup>/SW 56<sup>th</sup> Street Trail.
- Complete public improvements along the trails when needed and feasible.

#### **6. Parks**

Improvements to Lakeview Park should include construction of the following project elements: park shelter, street trees, benches and additional streetscape furniture, playground, drinking fountain, play court, and walkway connections.

#### **7. Public Utilities**

##### Street Lighting:

- Replace street light poles that are in poor condition from NW 6<sup>th</sup> Street to Salt Creek.
- Install street lights from NW 46<sup>th</sup> Street to NW 33<sup>rd</sup> Street.

##### Sewer and Water:

- East of Highway 77, sewer mains are between 50 to 80 years old. Materials used to construct the older sewer mains are prone to deterioration and breakage, as well as maintenance problems. Continue to monitor for repairs and replace as feasible.
- Water and sewer mains along north/south streets north of West O Street and West “P” street, between 2<sup>nd</sup> Street and Capitol Beach Boulevard, range in age from 60 to 80 years of age. Continue to monitor conditions and repair and replace as feasible.

##### Streetscape Beautification:

Design and construct a streetscape plan for West O Street beautification. Elements should include but not be limited to lighting, thematic entrances and nodes, landscaping, removal of billboards, and general streetscape improvements.

Inter-modal Surface Transportation Efficiency Act (ISTEA or “ice tea”) federal funding was expended in the early 1990's when West O Street was improved and numerous street trees were planted – although only a few of these remain. At that time, the West O Business Association had not committed to the care of the trees. If beautification is to be done, then a Business Improvement District (BID) would need to be created to care for any plant materials included.

- 8. West O Street Revitalization Project:** The West O Street Redevelopment area is a corridor of land located in Lincoln along West O Street. The area is a major entryway for those coming to Lincoln from the west via Highway 6. The West O Street Revitalization Redevelopment Project (“the Project”) involves a series of improvements within the public right-of-ways along West O Street, West P Street, and the north-south streets throughout the corridor.

The West O Blight and Substandard Determination Study identified nearly 69 percent of the parcels throughout the West O Street Redevelopment Area as lacking sidewalks along the public right-of-way. Likewise, several areas were identified as needing streetlights replaced or installed.

The goal of the West O Street Revitalization Project is to address and correct blighted and substandard conditions throughout the area by investing in both improvements to existing public facilities and construction of new public facilities. Sidewalks will be installed where none exist and replaced where they have deteriorated and are no longer usable by all members of the public. Streetlights will be installed or replaced, resulting in a safer, more inviting environment throughout the area. Increased lighting will promote pedestrian traffic and increase security for private property owners who have made investments in the area.

#### *EXISTING LAND USE AND ZONING*

The Project Area has a variety of land uses including commercial, retail, and light industrial. This is consistent with the Future Land Use Map found within the Lincoln/Lancaster County *LPlan2040* (Comprehensive Plan). *LPlan2040* shows a commercial/industrial corridor along West O Street. The Lancaster County Correctional Facility is located within the area. There is also a significant amount of undeveloped and vacant land in the western portions of the Project Area. While existing uses are expected to continue, this project intends to improve conditions in the area so that new uses are encouraged to fill in the area's vacant and otherwise undeveloped land.

The West O corridor is primarily zoned as a Highway Commercial (H-3) district on both sides of West O Street with the exception of a stretch of light industrial zoning (I-1) on the south side of the street between Capitol Beach Boulevard on the west and Sun Valley Boulevard on the east. Immediately to the north of the commercial zoning on the north side of West O Street, the land is primarily zoned for residential uses (R-2). There is light industrial zoning (I-2) to the south of the commercial zoning. The Project does not seek any change in the zoning designations throughout the area. This does not, however mean that rezoning could not occur where necessary to accommodate a beneficial and appropriate new use of land in the Project Area.

The Project is consistent with the *West O Street Redevelopment Plan* and supports private sector commercial and industrial development in the West O Street Redevelopment Area.

The Project represents a significant investment in the public right-of-ways throughout the Project Area. By improving the condition of the sidewalks and creating a more inviting environment along the West O Street corridor, the Project will foster and promote additional private investment in the area.

#### *POPULATION DENSITIES AND BUILDING CONCENTRATION AFTER THE PROJECT*

The Project itself does not call for any specific private development in the area. Instead, the Project will enhance current land uses and provide a more inviting, attractive environment for those who frequent the area. By attracting more users to the area, it is anticipated that additional private investment will be generated, thereby increasing area property values and removing blighted and substandard conditions identified in the blight and substandard study of the area.

Because the Project does not include any specific private development in the Project Area, no measurable change in population density or building concentration is expected.

## *CHANGES TO ZONING AND/OR STREET LAYOUT*

The Project does not call for any change in the zoning designations for the Project Area. However, as private development is generated, it may become necessary to rezone tracts of land to accommodate appropriate land uses in the Project Area.

While West O Street and West P Street do require improvements to increase pedestrian access and safety, the Project does not call for realigning the existing street layout. Instead, the Project calls for improvements within the existing right-of-ways with no right-of-way widening or realigning. Because West O Street is also a federal highway that has been in place for decades, significant development to occur on both sides of the street. The costs of any attempt to realign West O Street would likely far outweigh any anticipated benefit.

## *NEW PUBLIC FACILITIES*

The West O Blight and Substandard Determination Study, prepared for the West O Street Redevelopment Plan, identified lack of sidewalks as a significant problem in the area. When the study was conducted (2005), nearly 69 percent of the parcels in the area were identified as entirely lacking public sidewalks. At the time, this equated to 220 parcels of land. Another eleven parcels were identified to have sidewalks in “fair” or “poor” condition. While development in the West O corridor has resulted in the installation of some sidewalks, the lack of sidewalks continues to persist throughout the area.

To address the lack of sidewalks, the Project will use tax increment financing (TIF) to fund sidewalk improvements in the public right-of-ways. TIF funds will be generated by the natural increase of property values and any private redevelopment that may occur in the area. Construction of sidewalks will make it easier to reach area businesses and properties on foot as well as by vehicle.

In addition, the Project will make investments intended to improve safety and aesthetics throughout the area. Streetlights may be replaced or added, which will create a more secure and inviting public environment. Streetscape features may be installed that include a consistent theme/branding scheme intended to enhance a sense of identity for the area. These features will also provide a more inviting entrance to the City from the west. Landscaping areas may be installed in the public right-of-way as a way of softening an area that is otherwise dominated by concrete parking lots and automobiles.

A Business Improvement District has been formed to assist in maintaining these improvements and preventing deterioration from occurring within the Project Area.

# Redevelopment Activities: Commercial and Industrial

1. Support redevelopment efforts to construct a distribution warehouse and associated commercial/industrial development at property comprised of Lot 24 Irregular Tract located in the southeast quarter of Section 24, Township 10 North, Range 5 east of the 6th P.M., Lancaster County, Nebraska. Project elements include:
  - 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 and storm sewer extension.
  - Construction of internal public roads, alleyways and parking.
  - Construction of temporary turn lanes.
  - Construction of a traffic signal.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
  - Re-plat and re-zone as required.
2. Support commercial/industrial redevelopment efforts at property located at Irregular Tract Lot 23 SE 24-10-5.
  - Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
3. Support commercial/industrial redevelopment efforts at property located at EDM Industrial Center Add, Block 3, Lots 8, 9 and Irregular Tract Lots 18, 62, 79, & 80 NE 29-10-6, generally known as 3001 and 3201 West O Street. [\[Also, see Project #18.\]](#)
  - Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking, including O Street access as approved by Public Works and Utilities.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
4. Support commercial/industrial redevelopment efforts at property located at 7.98 +/- AC in NE part Irregular Tract Lot 26 NE 25-10-5, generally known as 5905 W. O Street.
  - Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.



5. Support commercial/industrial redevelopment efforts at property located at Lot 2, T.O. Haas 3rd Addition, Lincoln, Lancaster County, Nebraska.
  - Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
6. Support commercial/industrial redevelopment efforts at property located at a portion of Lot 98, Irregular Tract in the Northeast 1/4 of Section 27, Township 10 North, Range 6 East of the 6th P.M., Lincoln, Lancaster County, Nebraska; consisting of 8.87 acres in the Northeasterly corner, more particularly described in Instrument #2004-63821, except that part sold for right-of-way in Instrument #2004-70571.
  - Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
7. Support commercial/industrial redevelopment efforts at property located at All of Lot 106, and part of Lot 105, Irregular Tracts in the Northeast 1/4 of Section 29, Township 10 North, Range 6 East of the 6th P.M., Lincoln, Lancaster County, Nebraska.
  - Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
8. Support commercial/industrial redevelopment efforts at property located at Lot 38 and 39, Irregular Tracts, in the Southwest 1/4 of Section 19, Township 10 North, Range 6 East of the 6th P.M. Lincoln, Lancaster County, Nebraska.
  - Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
9. Support commercial/industrial redevelopment efforts at property located at Lot 74 and 75, Irregular Tract in the Southwest 1/4 of Section 20, Township 10 North, Range 6 East of the 6th P.M., Lincoln, Lancaster County, Nebraska.
  - Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.

- Construction of public roads, alleyways and parking.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
- 10.** Support commercial/industrial redevelopment efforts at property located at Lot 52, Lot 70, and Lot 97, Irregular Tracts in the Northeast 1/4 of Section 27, Township 10, Range 6 of the 6th P.M., Lincoln, Lancaster County, Nebraska.
- Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
- 11.** Support commercial industrial redevelopment efforts at property located at Lot 51, Irregular Tract in the Southeast 1/4 of Section 19, Township 10, North, Range 6 East of the 6th P.M., Lincoln, Lancaster County, Nebraska.
- Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
- 12.** Support commercial industrial redevelopment efforts at property located at Lots 2 through 7, Earl Carter Addition, Lincoln, Lancaster County, Nebraska.
- Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
- 13.** Support commercial industrial redevelopment efforts at property located at Lot 92, Irregular Tract in the Northeast 1/4 of Section 28, Township 10 North, Range 6 East of the 6th P.M., Lincoln, Lancaster County, Nebraska.
- Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking.

- Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
- 14.** Lot 12, Block 1, Western State Industrial Tract 1st Addition, Lincoln, Lancaster County, Nebraska.
- Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
- 15.** Lot 1 through 6, Block 1, Hobelman's Subdivision, except the North 27 feet thereof, together with the vacated East-West alley adjacent; Lot 41, Irregular Tract in the Northeast 1/4 of Section 28, Township 10 North, Range 6 East of the 6th P.M.; vacated Southwest 13th Street as stated in Ordinance No. 18080, passed by the Lincoln City Council on May 19, 2003 and filed as Instrument #2003-62558; and Lot 4, Block 1, Earl Carter Addition; all in Lincoln, Lancaster County, Nebraska.
- Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
- 16.** Lot 1 through 3, Block 1, EDM Industrial Center, Lincoln, Lancaster County, Nebraska. [\[Also see Project #18.\]](#)
- Acquisition of property described above from willing seller to complete public improvements.
  - Construction of public utilities on-site including sanitary and storm sewer and water.
  - Construction of public roads, alleyways and parking.
  - Sidewalk construction in the public ROW.
  - Construction of landscaping, ornamental lighting and streetscape in the public ROW.
- 17. Shoemaker Travel Plaza**
- Project Description:***
- The Shoemaker Travel Plaza redevelopment project is located at SW 48th & West O Streets. The plans include the construction of two new buildings of 32,000 square feet and 12,000 square feet square receptively. The main building will feature a family-style restaurant, a 6,000 square feet retail area, offices, and two quick-serve restaurants. On the second level, there will be truck driver facilities that include showers, a TV room and a self-serve laundry.
- The second building will be the Shoemaker's Service Center. This building will house a wash bay and three truck service bays. There will also be a small retail area, offices and waiting area.

Public improvements per requirements of the Nebraska Department of Roads and the City of Lincoln include left and right turn lanes in West O and SW 48<sup>th</sup> Street, traffic signal reconstruction and paving in SW 48<sup>th</sup> Street a minimum of 200 feet south of West O Street, and other public improvements.

***Statutory Elements:***

- A. Property Acquisition, Demolition and Disposal: To the east of the redevelopment area, property is needed for the widening of West O Street. In addition, the owner of the property to be developed will dedicate the needed land for the right-turn lane and for the new SW 48<sup>th</sup> Street. There will be no relocation of families or businesses. There will be no demolition as part of this project.
- B. Population Density: This redevelopment project contains no residential units. The project elements will not affect the population density in the project area.
- C. Land Coverage: Land coverage will increase, as the project site is currently vacant. The redevelopment site consists of approximately 20 acres.
- D. Traffic Flow, Street Layout, and Street Grades: This project will likely increase traffic flow to and from the new development. A new intersection will be built at NW 48<sup>th</sup> & West O Streets that will include turn lanes and the paving of SW 48<sup>th</sup> Street that will go into the redevelopment site. The access point will be from SW 48<sup>th</sup> Street.
- E. Parking: Private parking will be developed as part of the project according to the zoning classification.
- F. Zoning, Building Code, and Ordinances: The redeveloper owns Lots 37 & 13 (approximately 19 acres) located in Section 30, Township 10 North, Range 6 East. The north 8.65 acres of Lot 37 is currently annexed and zoned H-3. The remaining 10.28 acres of Lot 37 and Lot 13 are zoned AG and not annexed. He redeveloper has applied for the annexation and change of zone to H-3 for the remaining 10.28 acres of Lot 37 and Lot 13.



### ***Proposed Costs and Financing:***

The estimated total cost for project implementation is approximately \$8,500,000.00. The source of public funding is Tax Increment Financing (TIF) estimated to be approximately \$900,000.00, generated from a private investment of 8,500,000.00 under Neb. Rev. Stat §18-2147, based upon the incremental taxes created by the project.

## **18. Nature's Variety Redevelopment Project**

### ***Project Description (Phase I):***

The Nature's Variety Redevelopment Project (the "Project") involves a multi-phased project of its intended campus located on West O Street at SW 32<sup>nd</sup> Street.

Phase I of the Project contemplates the redevelopment of six underdeveloped parcels located in the West O Street Redevelopment Area, with an existing surface parking lot and maintenance storage building, into an approximately 24,000 square foot freeze-drying facility. The parcels comprising the proposed Phase I project site are generally located at 3203 W. View Avenue, 235 SW 32<sup>nd</sup> Street, 301 SW 32<sup>nd</sup> Street, 311 SW 32<sup>nd</sup> Street, 321 SW 32<sup>nd</sup> Street, and 333 SW 32<sup>nd</sup> Street, and are legally described as Lots 1 through 6, Block 1, EDM Industrial Center, an Addition to the City of Lincoln, Lancaster County, Nebraska. Also included is the parcel to the west: S29, T10, R6, 6<sup>th</sup> Principal Meridian, Lot 62 NE EX TRACT in NE Corner Condemned for Road (the "Project Site").

A future Phase II of the Project is anticipated to include Lots 2 and 3 for the development of a processing center and a frozen storage facility. Additionally, Nature's Variety envisions additional expansion of this plant location beyond the Phase II project which will entail additional investment and employment opportunities. See the Project Area Map.

The goal of the Project is to revitalize and strengthen the business community in the West O Street Redevelopment Area through development of a new industrial facility as part of the Phase I and Phase II projects. The Project will cause the removal of blight and substandard conditions on the Project Site and in the West O Street Redevelopment Area.

The Project Site including the site for the Phase I project is predominantly vacant, with the exception of a surface parking lot and maintenance storage building located on the parcel generally located at 311 SW 32<sup>nd</sup> Street. The maintenance building will be removed for the Phase I project. Surrounding land uses include commercial and

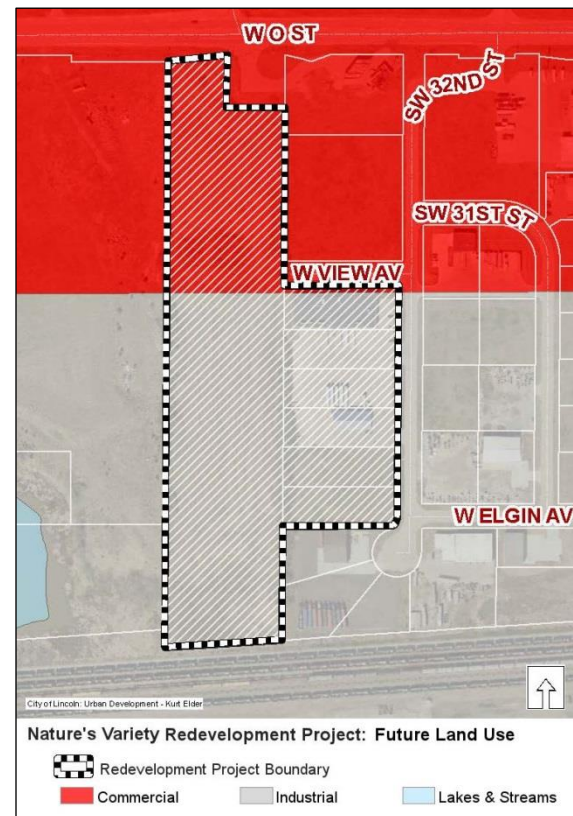






industrial uses to the north and east, and a significant amount of undeveloped, vacant land to the west. The proximity of West O Street and Interstate 80 to the north of the Project Site underscores the need for redevelopment of the Project Site in order to enhance the West O Street corridor as an entryway to the City of Lincoln. The proximity of the railway to the south makes the Project Site an ideal location for industrial development. See the *Current Land Use Map*, above & left.

The Project Site is currently zoned I-1 Industrial District, which provides for development of light and heavy industrial uses, and is characterized by a relatively high intensity of use and land coverage. The land surrounding the Project Site is zoned I-1 Industrial District as well. Nearby zoning includes the H-4 General Commercial District and the H-3 Highway Commercial District along West O Street, and the AG Agriculture District further north and west. See the *Existing Zoning Map*, above & right.





The Project is consistent with the West O Street Redevelopment Plan and is intended to support private sector commercial and industrial development in the West O Street Redevelopment Area. The Project is also consistent with the *LPlan 2040*, the Lincoln-Lancaster County 2040 Comprehensive Plan. Chapter 5 (Business & Economy) of *LPlan 2040* indicates that it is the policy of the City of Lincoln and Lancaster County that commercial and industrial centers in Lancaster County be located in existing underdeveloped or redeveloping commercial and industrial areas in order to remove blighted conditions and to more efficiently utilize existing infrastructure. Redevelopment of the Project Site into an industrial facility is also consistent with the 2040 Lincoln Area Future Land Use Plan. See the *Future Land Use Map* on the following page.

The Project, including both the Phase I and Phase 2 projects, represents a significant private investment in the West O Street Redevelopment Area. Publicly funded redevelopment activities may include: site acquisition, site preparation and grading, demolition, extension of utilities, energy efficiency improvements, and other public improvements in the West O Street Redevelopment Area.

***Statutory Elements:***

- A. *Property Acquisition, Demolition, and Disposal:* The proposed redeveloper currently controls the Project Site. The Project will require demolition and disposal of the existing maintenance storage building. No relocation of families or businesses will occur as a result of the Project.
- B. *Population Density:* The Project consists of the construction of an approximately 24,000 square foot freeze-drying facility, and does not include the construction of any residential units. As a result, the Project is not expected to affect the population density in the West O Street Redevelopment Area.
- C. *Land Coverage:* Land coverage will increase, as the Project Site is currently predominantly vacant, with the exception of the existing 5,000 square foot maintenance storage building. The Project will consist of construction of an approximately 24,000 square foot freeze-drying facility on the Project Site, which is approximately 2.3 acres. The Project will comply with the applicable land-coverage ratios and zoning requirements of the City of Lincoln.
- D. *Traffic Flow, Street Layouts, and Street Grades:* The Project is not likely to result in a significant increase in traffic and does not include vacating any streets or alleys. The Phase I project will not impact West View Avenue and a Phase II project would be located south of West View Avenue and will not block the potential future extension of West View Avenue which may be necessary for future development in the area.
- E. *Parking:* The redeveloper will construct a surface parking lot south of and adjacent to the new freeze-drying facility, which will meet the parking requirements of the I-1 Industrial District.
- F. *Zoning, Building Code, and Ordinances:* The Project Site is currently zoned I-1 Industrial District and the Project is a permitted use in such district. 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 \$3,750,000, which includes approximately \$220,000 in public financing. The project cost will be finalized as construction costs are determined. The source of the public funds for these

improvements will be the tax increment generated from the private developments on the Project Site. However, funding sources and uses will be negotiated and identified in the redevelopment agreement, subject to approval by the Mayor and City Council.

### ***Tax Increment Financing Analysis***

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

► *Public Tax Revenues:*

<b>Nature's Variety Phase I Project</b>		<b>Amount</b>
<b>(a)</b> Base Value		\$308,400
<b>(b)</b> Estimated New Assessed Value		\$1,618,761
<b>(c)</b> Increment Value	= (b) – (a)	\$,1310,361
<b>(d)</b> Annual TIF Generated (Estimated)	= (c) x 2.0367580%	\$26,689
<b>Funds Available</b>	= (d) x 15 years @ 4.5%	\$275,000

Upon completion of the Project, the assessed value of the Phase I Project Site will increase by an estimated \$1,310,361.00 as a result of the private investment for the Phase I Project. This will result in an increase in estimated annual property tax collections during the 15 year TIF period of approximately \$26,689.00, which will be available to finance the costs of construction of the public improvements related to the Phase I Project. The public investment of approximately \$275,000.00 in TIF funds will leverage \$3,500,000.00 in private sector financing: a private investment of \$12.50 for every TIF dollar spent.

The Urban Development Department believes that the private and public improvements proposed in this plan amendment would not occur “but for” the utilization of tax increment financing in the West O Street Redevelopment Area. It would not be economically feasible for the redeveloper to construct the Phase I 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.

Public investment may assist with the costs of site acquisition, site preparation and grading, demolition, extension of utilities, energy efficiency improvements, and other public improvements and enhancements permitted under the Community Development Law in the West O Street Redevelopment Area.

- *Public Infrastructure and Community Public Service Needs Impacts:* It is not anticipated that the Project will have an adverse impact on existing public infrastructure. In fact, the Project involves the capture of the incremental tax revenues for installation of utilities and other public infrastructure improvements in the West O Street 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 Redevelopment Project Area:* It is not anticipated that the Project will have an adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the Project. It is anticipated that the construction of the Phase I Project on the Phase I Project Site will create jobs and strengthen the West O Street corridor business community.

- ▶ *Employment in the City outside the Redevelopment Project Area:* The anticipated job creation resulting from the construction of the freeze-drying facility on the Phase I Project Site is not expected to adversely affect employment in the City outside the Redevelopment Project Area. The Phase I Redevelopment Project will significantly increase the employment at Nature's Variety and will lead to additional investment in subsequent phases. The Project should increase the need for services and products from existing businesses in and around the West O Street Redevelopment Area.
- ▶ *Other Impacts:* The development of the Phase I Project Site will eliminate the existence of blight and substandard conditions and will attract employers to the West O Street Redevelopment Area and the City of Lincoln. The Project is consistent with the policy of *LPlan 2040* and with the West O Street Redevelopment Plan.

The Phase I Project should have a positive impact on private sector businesses in the West O Street Redevelopment Area and in the City, and will attract additional private investment in and around the West O Street 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 15 years, there will be additional revenue generated by the Project from, for example, personal property taxes on equipment installed in the facility. Upon completion of the 15 year TIF period, the Project will benefit the community through higher property tax revenue.

## 19. Huvepharma Inc. Redevelopment Project

### *Project Description:*

The Huvepharma Inc. Redevelopment Project (the "Project") is proposed at West O Street at 245 SW 40<sup>th</sup> Street. The Project includes the redevelopment of an underdeveloped, vacant parcel located in the West O Street Redevelopment Area into an approximately 30,000 square foot research and development Complex. The approximately 8.62 acre site is legally described as Cushman, Block 15 & Block 16 EX 20,338 square feet on the east for the street. See the *Project Area Map*, below.

The goal of the Project is to revitalize and strengthen the business community in the West O Street Redevelopment Area through development of a new research and development complex. The Project will remove blighted and substandard conditions on the Project Site and in the West O Street Redevelopment Area.

Huvepharma Inc. is a privately-owned Animal Health and Nutrition company headquartered in Peachtree City, GA. The components and functions of the new research and development complex include:



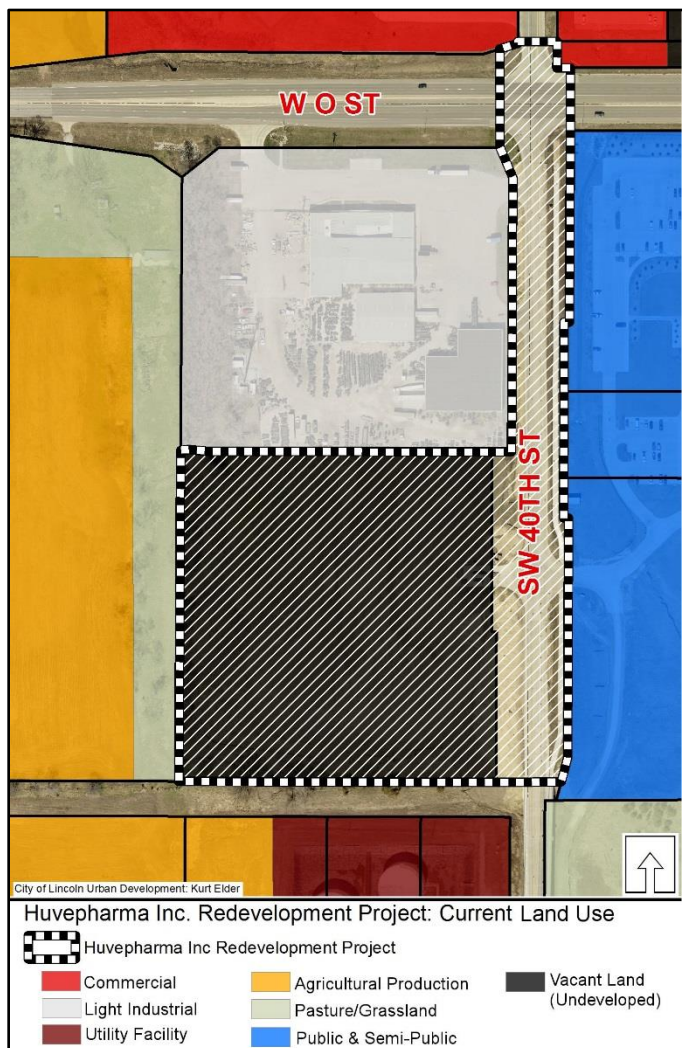
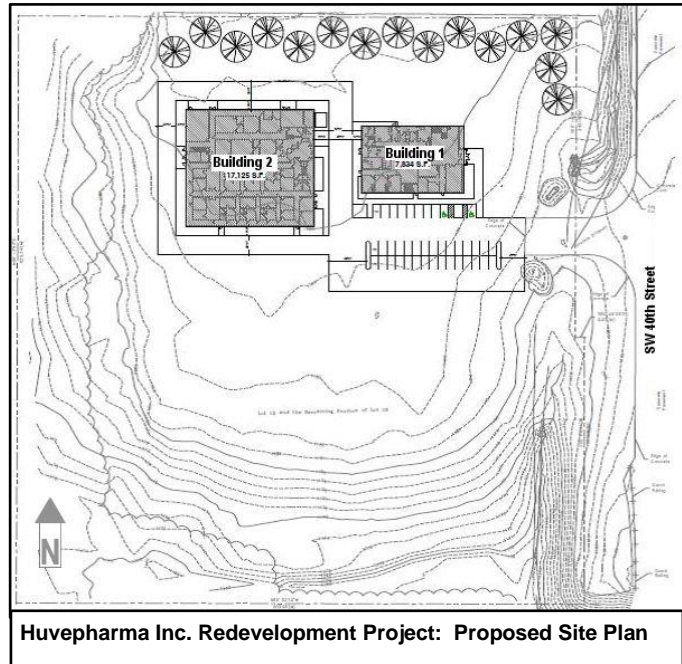
1. Develop different types of vaccines to help protect and prevent diseases in animals.
2. Research new ways to enhance testing and application of vaccines.
3. Support current vaccines and product development opportunities
4. Develop different types of vaccines to help protect and prevent diseases in animals.
5. Research new ways to enhance testing and application of vaccines.
6. Support current vaccines and product development opportunities.
7. The company currently has a vaccine and production manufacturing facility in Lincoln and other in North Carolina.

The Project will consist of two connected buildings. Building 1, approximately 10,000 square feet, will house microbiology labs and offices on first floor; offices, mechanical room and mezzanine will be on the second floor. Building 2 will house animal research laboratory space and will be approximately 20,000 square feet.

The site will include central access and internal circulation drives between buildings, connecting walkways, and screening along the north and east sides of the Project Area. The parking lot will contain approximately 40 stalls, centrally located and shared by the two buildings. See the Proposed Site Plan, above.

#### **Existing Land Use and Zoning:**

The Project Site is currently vacant. Surrounding land uses include light industrial and commercial to the north, the Lancaster County Correctional Facility to the east, Burlington Northern Santa Fe Railroad facilities to the south and a







significant amount of undeveloped, vacant land and agricultural uses to the west. A southern portion of the parcel is located in the flood plain but the project will be constructed on the north and central portions of the site and will not affect the flood plain. See the *Flood Plain and Existing Land Use Maps*, see above.

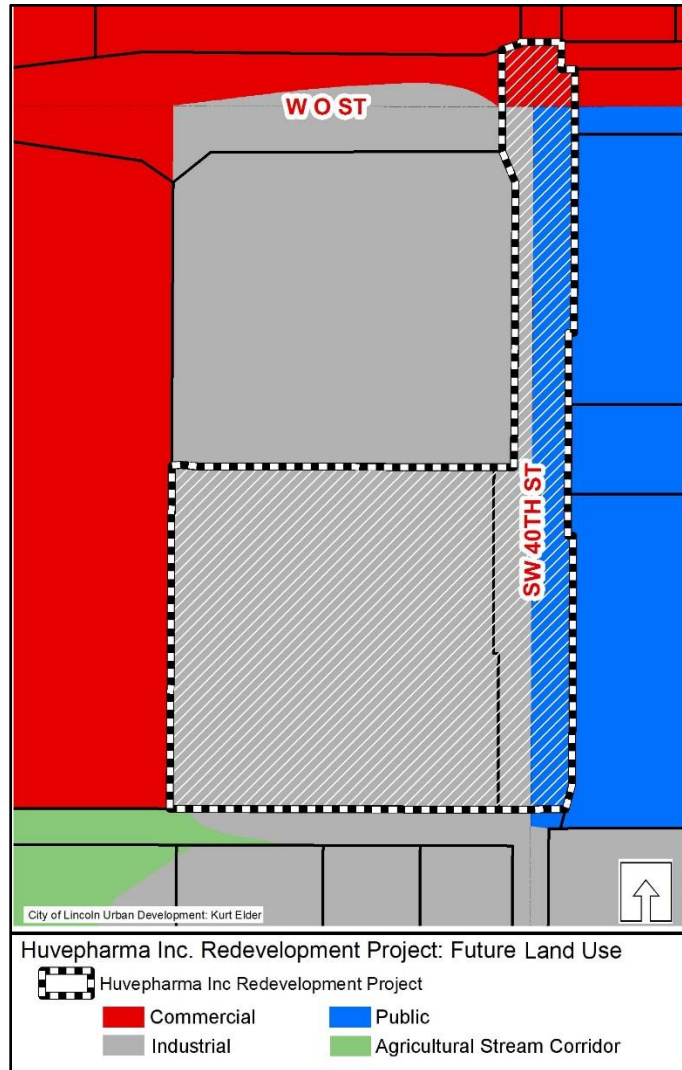
The Project Site is currently zoned I-1 Industrial District, which provides for development of light and heavy industrial uses, and is characterized by a relatively high intensity of use and land coverage. Land surrounding the Project Site is zoned I-1 Industrial District to the north and southeast, and AG Agriculture District south and west. See the *Existing Zoning Map* above.

The Project is consistent with the West O Street Redevelopment Plan and is intended to support private sector commercial and industrial development in the West O Street Redevelopment Area. The Project is also consistent with the LPlan 2040, the Lincoln-Lancaster County 2040 Comprehensive Plan. Chapter 5 (Business & Economy) of LPlan 2040 indicates that it is the policy of the City of Lincoln and Lancaster County that commercial and industrial centers in Lancaster County be located in existing underdeveloped or redeveloping commercial and industrial areas in order to remove blighted conditions and to more efficiently utilize existing infrastructure. Redevelopment of the Project Site into an industrial facility is also consistent with the *2040 Lincoln Area Future Land Use Plan*. See the *Future Land Use Map* below.

The Project represents a significant private investment in the West O Street Redevelopment Area. Publicly funded redevelopment activities may include: site acquisition, site preparation and grading, demolition, extension of utilities, energy efficiency improvements, and other public improvements in the West O Street Redevelopment Area.

### Statutory Elements:

- ▶ *Property Acquisition, Demolition, and Disposal:* The proposed redeveloper intends to control the Project Site. The Project will not require demolition. No relocation of families or businesses will occur as a result of the Project.
- ▶ *Population Density:* The Project consists of the construction of an approximately 30,000 square foot research and development complex and does not include the construction of any residential units. As a result, the Project is not expected to affect the population density in the West O Street Redevelopment Area.
- ▶ *Land Coverage:* Land coverage will increase, as the Project Site is currently vacant. The Project will consist of construction of approximately 10,000 square feet in one building and 20,000 square feet in the second building on the Project Site, which is approximately 8.6 acres. The Project will comply with the applicable land-coverage ratios and zoning requirements of the City of Lincoln.
- ▶ *Traffic Flow, Street Layouts, and Street Grades:* The Project is not likely to result in a significant increase in traffic and does not include vacating any streets or alleys. No changes are proposed to existing street layouts and grades. The Project will conform to the City's Access Management Policy.
- ▶ *Parking:* The redeveloper will construct a surface parking lot that will meet the parking requirements of the I-1 Industrial District.
- ▶ *Zoning, Building Code, and Ordinances:* The Project Site is currently zoned I-1 Industrial District, and the Project is a permitted use in such a district. 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.
- ▶ *Financing and Cost Benefit Analysis:* The estimated total cost to implement the Project is approximately \$4.75 million, which includes approximately \$691,000 in public financing. The project cost will be finalized as construction costs are determined. The source of the public funds for these improvements will be the tax increment generated from the private developments on the Project Site. However, funding sources and uses will be negotiated and identified in the redevelopment agreement, subject to approval by the Mayor and City Council.



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

*Public Tax Revenues:*

<b>Huvepharma Redevelopment Project</b>	<b>Amount</b>
<b>(a)</b> Base Value	\$519,700
<b>(b)</b> Estimated New Assessed Value	\$4,000,000
<b>(c)</b> Increment Value = $(b) - (a)$	\$3,480,300
<b>(d)</b> Annual TIF Generated (Estimated) = $(c) \times 2.0367580\%$	\$70,885
<b>Funds Available</b> = $(d) \times 15 \text{ years @ } 4.5\%$	\$690,585

Upon completion of the Project, the assessed value of the Project Site will increase by an estimated \$3,480,300 as a result of the private investment for the Project. This will result in an increase in estimated annual property tax collections during the 15 year TIF period of approximately \$690,585, which will be available to finance the costs of construction of the public improvements related to the Project. The public investment of approximately \$690,585 in TIF funds will leverage \$4,059,415 in private sector financing: a private investment of \$6.88 for every TIF dollar spent.

The Urban Development Department believes that the private and public improvements proposed in this plan amendment would not occur “but for” the utilization of tax increment financing in the West O Street 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.

Public investment may assist with the costs of site acquisition, site preparation and grading, demolition, extension of utilities, energy efficiency improvements, and other public improvements and enhancements permitted under the Community Development Law in the West O Street Redevelopment Area.

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

It is not anticipated that the Project will have an adverse impact on existing public infrastructure. In fact, the Project involves the capture of the incremental tax revenues for installation of utilities and other public infrastructure improvements in the West O Street 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 Redevelopment Project Area:***

It is not anticipated that the Project will have an adverse impact on employers and employees of firms locating or expanding within the boundaries of the area of the Project. It is anticipated that the construction of the Project will create ten new jobs with salaries ranging from \$45,000 to \$100,000 with benefits, and will strengthen the West O Street corridor business community.

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

The anticipated job creation resulting from the construction of the Project is not expected to adversely affect employment in the City outside the Redevelopment Project Area. The



Project should increase the need for services and products from existing businesses in and around the West O Street Redevelopment Area.

► **Other Impacts:**

The development of the Project will eliminate the existence of blight and substandard conditions and will attract employers to the West O Street Redevelopment Area and the City of Lincoln. The Project is consistent with the policy of *LPlan 2040* and with the *West O Street Redevelopment Plan*.

The Project should have a positive impact on private sector businesses in the West O Street Redevelopment Area and in the City, and will attract additional private investment in and around the West O Street 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 15 years, there will be additional revenue generated by the Project from, for example, personal property taxes on equipment installed in the facility. Upon completion of the 15-year TIF period, the Project will benefit the community through higher property tax revenue.

## 20. **Lincoln Sports Facility Redevelopment Project**

### ***Project Description***

The Lincoln Sports Facility Redevelopment Project (the “Project”) involves the redevelopment of five underdeveloped parcels of land located in the West O Street Redevelopment Area. The parcels comprising the proposed project site are generally located at 120 SW 14<sup>th</sup> Place, 121 SW 14<sup>th</sup> Place, 140 SW 14<sup>th</sup> Place, 141 SW 14<sup>th</sup> Place and 150 SW 14<sup>th</sup> Place, and are legally described as Lots 2 through 6, Block 1, Earl Carter Addition to the City of Lincoln, Lancaster County, Nebraska (the “Project Area”). See the Project Area map, right.

The proposed Project involves at least two phases. Phase One will consist of the construction of an approximately 78,500 square foot indoor sports complex (including 8 basketball courts, 12 volleyball courts, and an approximately 5,000 square foot training center), along with construction of a surface parking lot and associated improvements. Phase One encompasses that portion of the Project Site legally described as follows: Lots 4 through 6, Block 1 Earl Carter Addition to the City of Lincoln, Lancaster County, Nebraska. (the “Phase One Project Site”).



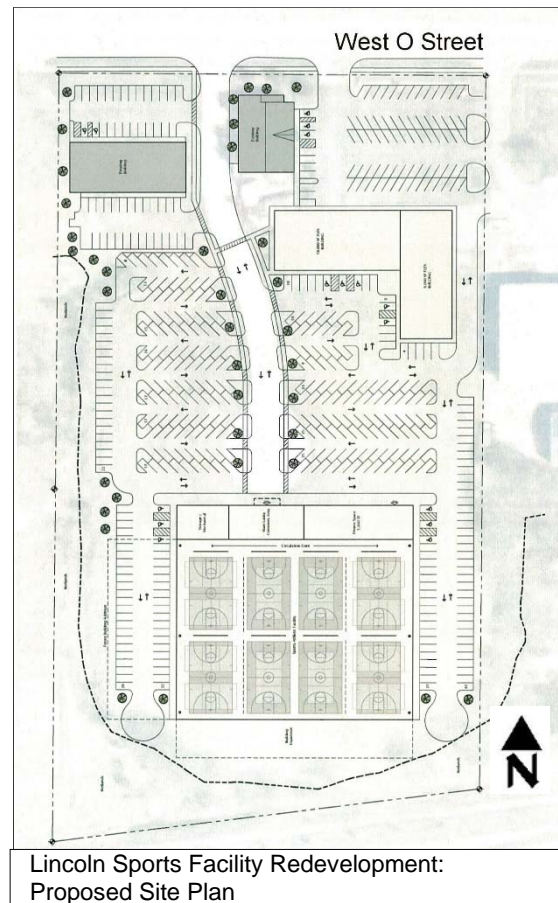


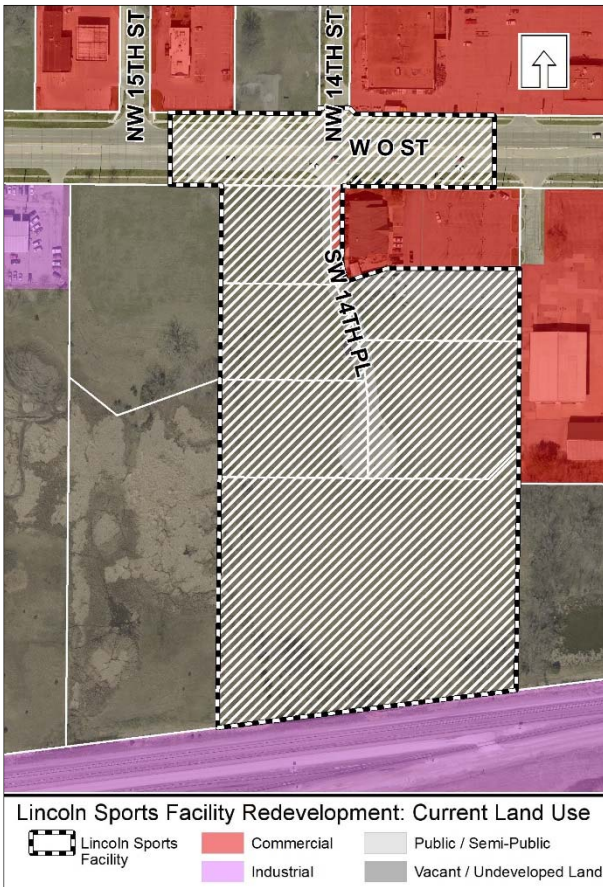
It is anticipated that Phase Two will consist of construction of an approximately 19,000 to 21,000 square foot commercial building, a surface parking lot, and associated improvements. Phase Two encompasses that portion of the Project Site legally described as follows: Lot 2 and Lot 3, Block 1, Earl Carter Addition to the City of Lincoln, Lancaster County, Nebraska (the "Phase Two Project Site"). The improvements which comprise Phase Two may be completed in two separate [sub] phases, with each commercial building described above constituting one [sub] phase, provided that the Phase Two Project Site is re-platted to accommodate this approach. See the proposed Site Plan for the Project, right.

The goal of the Project is to strengthen and support the business community in the West O Street Redevelopment Area through development of an indoor sports complex and the commercial building on the Project Site. The Project is a destination business and will attract families and customers to commercial neighbors. The Project will assist in the efforts to remove and mitigate blight and substandard conditions on the Project Site.

This Project will put an under-utilized parcel of real estate to a productive use as an infill redevelopment project using existing infrastructure with no additional cost to the city. This project further helps mitigate any adverse impact and protect the rare saline wetlands located to the west of the project site. The Project further enhances the West O Street Redevelopment Area through the development of a mix of commercial uses that are supportive of existing commercial investments in the West O Street Redevelopment Area, in accordance with the purposes set forth in the West O Street Redevelopment Plan.

The Project Site is currently vacant. Surrounding land uses primarily include commercial uses along West O Street and light industrial uses to the south, with a significant amount of undeveloped, vacant land to the west of the Project Site. Single-family detached residential uses exist north of the West O Street corridor. The proximity of West O Street to the north of the Project Site underscores the need for redevelopment of the Project Site to enhance the West O Street Redevelopment Area as an entryway to the City of Lincoln. See the Current Land Use map, below.





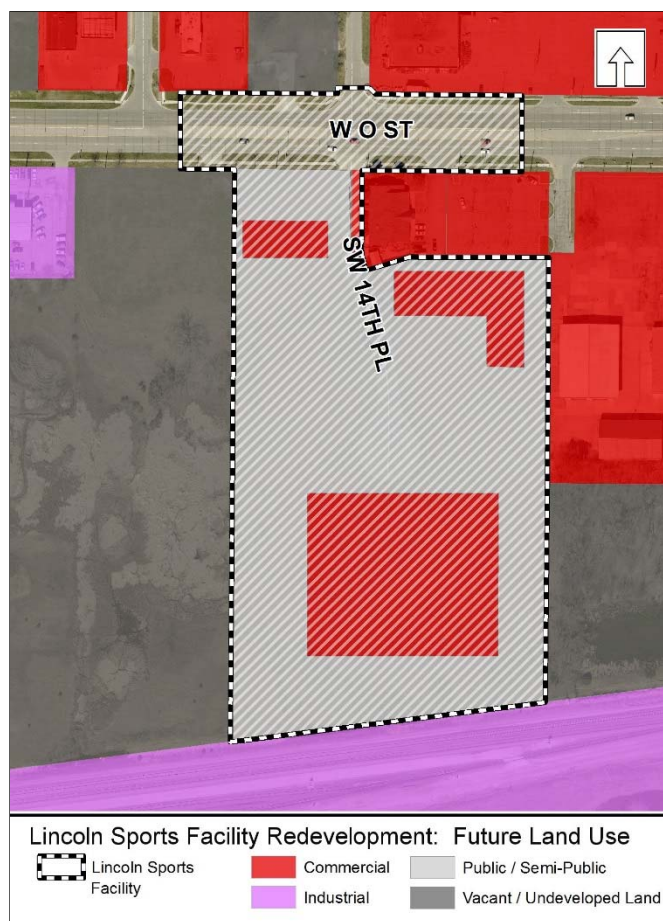
The Project Site is currently zoned H-3 Highway Commercial District, with the exception of that portion of the Project Site legally described as Lot 4, Earl Carter Addition to the City of Lincoln, Lancaster County, Nebraska, which is currently zoned I-1 Industrial District. The entirety of the Project Site shall be re-zoned to H-4 with a Planned Service Commercial Special Permit. The H-4 Highway Commercial District is intended to provide for low-density commercial uses that require high visibility and/or access from major highways. The land surrounding the Project Site, particularly along West O Street, is zoned H-3 Highway Commercial District which shall be compatible with the Planned Service Commercial Special Permit. Nearby zoning includes the I-1 Industrial District to the south of the Project Site, and the R-2 Residential District north of the West O Street corridor. See the *Current Zoning* map, above.

The Project is consistent with the West O Street Redevelopment Plan and is intended to support private sector commercial development in the West O Street Redevelopment Area. The intent of the West O Street Redevelopment Plan is to eliminate conditions of functional and economic obsolescence in the West O Street Redevelopment Area by incentivizing commercial and industrial redevelopment that strengthens existing investments in the West O Street Redevelopment Area. The Project will strengthen and support the existing business community in the West O Street Redevelopment Area and, in particular, will incorporate site design features that accommodate shared parking and ease of movement within the Project Site, in accordance with the Guiding Principles of the West O Street Redevelopment Plan.



The Project is also consistent with the *LPlan 2040*, the Lincoln-Lancaster County 2040 Comprehensive Plan. Chapter 5 (Business & Economy) of the *LPlan 2040* indicates that commercial centers should be developed in locations where they will enhance entryway corridors and in existing underdeveloped commercial areas in order to remove blighted condition and more efficiently utilize existing infrastructure. Redevelopment of the Project Site for commercial use is also consistent with the 2040 Lincoln Area Future Land Use Plan. See the *Future Land Use* map below.

The Project, including both Phase One and Phase Two, represents a significant private investment in the West O Street Redevelopment Area. Publicly funded redevelopment activities may include: site acquisition, site preparation and grading, street and sidewalk improvements, parking, landscaping, and other public improvements in the West O Street Redevelopment Area.



### Statutory Elements

- **Property Acquisition, Demolition, and Disposal:** The proposed redeveloper currently controls the Project Site, which is vacant. No relocation of families or businesses will occur as a result of the Project.
- **Population Density:** The Project consists of the construction of an approximately 78,500 square foot indoor sports complex and an approximately 19,000 to 21,000 square foot commercial building for retail uses. The Project does not include construction of any residential units. As a result, the Project is not expected to affect the population density in the West O Street Redevelopment Area.
- **Land Coverage:** Since the Project Site is currently vacant, land coverage will increase on the Project Site. Phase One of the Project will consist of construction of an approximately 78,500 square foot indoor sports complex on the Phase One Project Site, which is roughly 6.1 acres. It is anticipated that Phase Two of the Project will consist of construction of an approximately 19,000 to 21,000 square foot commercial building on the Phase Two Project Site, which contains approximately 2.1 acres. The Project will comply with the applicable land-coverage ratios and zoning requirements of the City of Lincoln.
- **Traffic Flow, Street Layouts, and Street Grades:** The Project will result in an increase in traffic on account of families and customers accessing the sports complex and commercial buildings constructed as part of the Project. However, the Project Site has direct access to West O Street via 14<sup>th</sup> Plaza and, as a result, is not

expected to create traffic congestion. The Project Site is in close proximity to the West Bypass for ease of access. The Project does not include vacating any streets or alleys.

- **Parking:** The Project includes construction of surface parking lots with a total of roughly 336 parking stalls on the Project Site, which shall serve both the indoor sports complex building and the commercial building constructed as a part of the Project. The surface parking lots shall meet the parking requirements of the Lincoln zoning codes.
- **Zoning, Building Code, and Ordinances:** That portion of the Project Site described as Lot 4, Earl Carter Addition to the City of Lincoln, Lancaster County, Nebraska, is currently zoned I-1 Industrial District. The remainder of the Project Site is currently zoned H-3 Highway Commercial District. The Project will seek a change of zone to the “H-4” General Commercial District with a Planned Service Commercial Special Permit for the entirety of the Project Site. No subdivision will be required as part of the Project unless the proposed redeveloper undertakes Phase Two of the Project in two separate [sub] phases, in which case the Phase Two Project Site will be re-platted to accommodate that approach. All applicable building code requirements and ordinances will be satisfied.

### **Proposed Cost and Financing**

The estimated cost to implement the total Project including, Phase One and Phase Two, is approximately \$11,780,000, which includes approximately \$1,383,330 in public financing. The Project cost will be finalized as construction costs are finalized. The source of the public funds for these improvements will be the tax increment generated from the private developments on the Project Site. However, funding sources and uses will be negotiated and identified in the Project redevelopment agreement, which is subject to approval by the Mayor and the City Council.

## **Tax Increment Financing Analysis**

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

### **Phase One TIF Analysis**

#### • **Public Tax Revenues:**

<b>Lincoln Sports Facility Redevelopment Project – Phase One</b>		<b>Amount</b>
<b>(a)</b> Base Value		\$425,600
<b>(b)</b> Estimated New Assessed Value		\$4,862,382
<b>(c)</b> Increment Value	$= (b) - (a)$	\$4,436,782
<b>(d)</b> Annual TIF Generated (Estimated)	$= (c) \times 2.025103\%$	\$89,849
<b>Funds Available</b>	$= (d) \times 14 \text{ years @ } 5.5\%$	\$869,330

Upon completion of Phase One, the assessed value of the Phase One Project Site will increase by an estimated \$4,436,782 as a result of the private investment for Phase One. This will result in an increase in estimated annual property tax collections during the 15-year TIF period of approximately \$89,849. The public investment of approximately \$869,300 in TIF funds will leverage approximately \$8,000,000 in private sector financing.

The Urban Development Department believes that the private and public improvements

proposed for Phase One would not occur “but for” the utilization of tax increment financing in the West O Street Redevelopment Area. It would not be economically feasible for the redeveloper to construct the Phase One improvements as designed without tax increment financing because existing site conditions constitute a barrier to development that cannot be adequately remedied without the use of tax increment financing.

Public investment may assist with the costs of site acquisition, site preparation and grading, street and sidewalk improvements, parking, landscaping, and other public improvements and enhancements permitted under the Community Development Law in the West O Street Redevelopment Area.

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

It is not anticipated that Phase One of the Project will have an adverse impact on existing public infrastructure. Rather, it is anticipated that Phase One of the Project will have a positive impact on City services by generating additional revenue using existing infrastructure to provide support for those services. Phase One of the Project will also encourage additional private investment in the West O Street Redevelopment Area through the removal of blight and substandard conditions.

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

It is not anticipated that Phase One of 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. Phase One of the Project is anticipated to create in the range of 30 to 40 full and part-time jobs, thereby strengthening the business community within the West O Street Redevelopment Area.

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

The jobs created by construction of Phase One on the Phase One Project Site are not expected to adversely affect employment in the City outside the area of the Project. Instead, Phase One of the Project will support existing commercial investment in the West O Street Redevelopment Area, and enhance the West O Street Redevelopment Area as an entryway corridor to the City of Lincoln. Phase One of the Project should attract further commercial development in the West O Street Redevelopment Area, which will create additional jobs both in the West O Street Redevelopment Area and the City as a whole. In particular, Phase One will lead to additional commercial investment in Phase Two of the Project. Further, Phase One of the Project should increase the need for services and products from existing businesses in and around the West O Street Redevelopment Area.

- ***Other Impacts:***

Implementation of Phase One of the Project will assist in the removal and mitigation of the blighted and substandard conditions from the Phase One Project Site, and will attract employers to the West O Street Redevelopment Area and the City of Lincoln. Phase One of the Project is consistent with the policy of *LPlan 2040* and with the *West O Street Redevelopment Plan*.

Phase One of the Project should have positive impact on private sector businesses in the West O Street Redevelopment Area and in the City, and will enhance the West O Street Redevelopment Area as an entryway corridor to the City of Lincoln in accordance with the goals of the *West O Street Redevelopment Plan*.

While the use of tax increment financing will defer receipt of a majority of the incremental ad valorem real property taxes generated by Phase One for up to 15 years, there will be additional revenue generated by Phase One from, for example, personal property taxes on equipment installed at the sports complex and sales taxes paid by customers of the sports

complex. Following the 15-year TIF period, Phase One will benefit the community through increased property tax revenue.

### Phase Two TIF Analysis

- **Public Tax Revenues:**

Lincoln Sports Facility Redevelopment Project – Phase Two		Amount
(a) Base Value		\$188,500
(b) Estimated New Assessed Value		\$2,811,288
(c) Increment Value	= (b) – (a)	\$2,622,788
(d) Annual TIF Generated (Estimated)	= (c) x 2.025103%	\$53,114
<b>Funds Available</b>	= (d) x 14 years @ 5.5%	\$514,000

Upon completion of Phase Two, the assessed value of the Phase Two Project Site will increase by an estimated \$2,600,000 as a result of the private investment for Phase One. This will result in an increase in estimated annual property tax collections during the 15-year TIF period of approximately \$53,100. The public investment of approximately \$514,000 in TIF funds will leverage \$2,400,000 in private sector financing.

The Urban Development Department believes that the private and public improvements proposed for Phase Two would not occur “but for” the utilization of tax increment financing in the West O Street Redevelopment Area. It would not be economically feasible for the redeveloper to construct the Phase Two improvements without tax increment financing because existing site conditions constitute a barrier to development that cannot be adequately remedied without the use of tax increment financing.

Public investment may assist with the costs of site acquisition, site preparation and grading, street and sidewalk improvements, parking, landscaping, and other public improvements and enhancements permitted under the Community Development Law in the West O Street Redevelopment Area.

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

It is not anticipated that Phase Two of the Project will have an adverse impact on existing public infrastructure. Instead, it is anticipated that Phase Two of the Project will have a positive impact on City services by generating additional revenue providing support for those services. Phase Two of the Project will also encourage additional private investment in the West O Street Redevelopment Area through the removal of blight and substandard conditions.

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

It is not anticipated that Phase Two of 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. Phase Two of the Project is anticipated to create in the range of 40 to 50 full and part-time jobs, thereby strengthening the business community within the West O Street Redevelopment Area.

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

The jobs created by construction of Phase Two on the Phase Two Project Site are not expected to adversely affect employment in the City outside the area of the Project. Instead, Phase Two of the Project will support existing commercial investment in the West O Street Redevelopment Area, and enhance the West O Street Redevelopment Area as an entryway corridor to the City of Lincoln. Phase Two of the Project should attract further

commercial development in the West O Street Redevelopment Area, which will create additional jobs, both in the West O Street Redevelopment Area and the City as a whole. Phase Two of the Project should increase the need for services and products from existing businesses in and around the West O Street Redevelopment Area.

- ***Other Impacts:***

Implementation of Phase Two of the Project will assist in the removal and mitigation of the blighted and substandard conditions from the Phase Two Project Site, and will attract employers to the West O Street Redevelopment Area and the City of Lincoln. Phase Two of the Project is consistent with the policy of *LPlan 2040* and with the West O Street Redevelopment Plan. It is anticipated that Phase Two of the Project will complement Phase One by incorporating site design features that accommodate shared parking and ease of movement within the Project Site, in accordance with the West O Street Redevelopment Plan.

Phase Two of the Project should have positive impact on private sector businesses in the West O Street Redevelopment Area and in the City, and will enhance the West O Street Redevelopment Area as an entryway corridor to the City of Lincoln in accordance with the goals of the West O Street Redevelopment Plan. Phase Two of the Project will also incorporate uses that are supportive of the improvements constructed as part of Phase One of the Project.

While the use of tax increment financing will defer receipt of a majority of the incremental ad valorem real property taxes generated by Phase Two for up to 15 years, there will be additional revenue generated by Phase Two from, for example, personal property taxes on equipment installed in the buildings and sales taxes paid by customers purchasing goods and services at the buildings. Following the 15-year TIF period, Phase Two will benefit the community through increased property tax revenue.

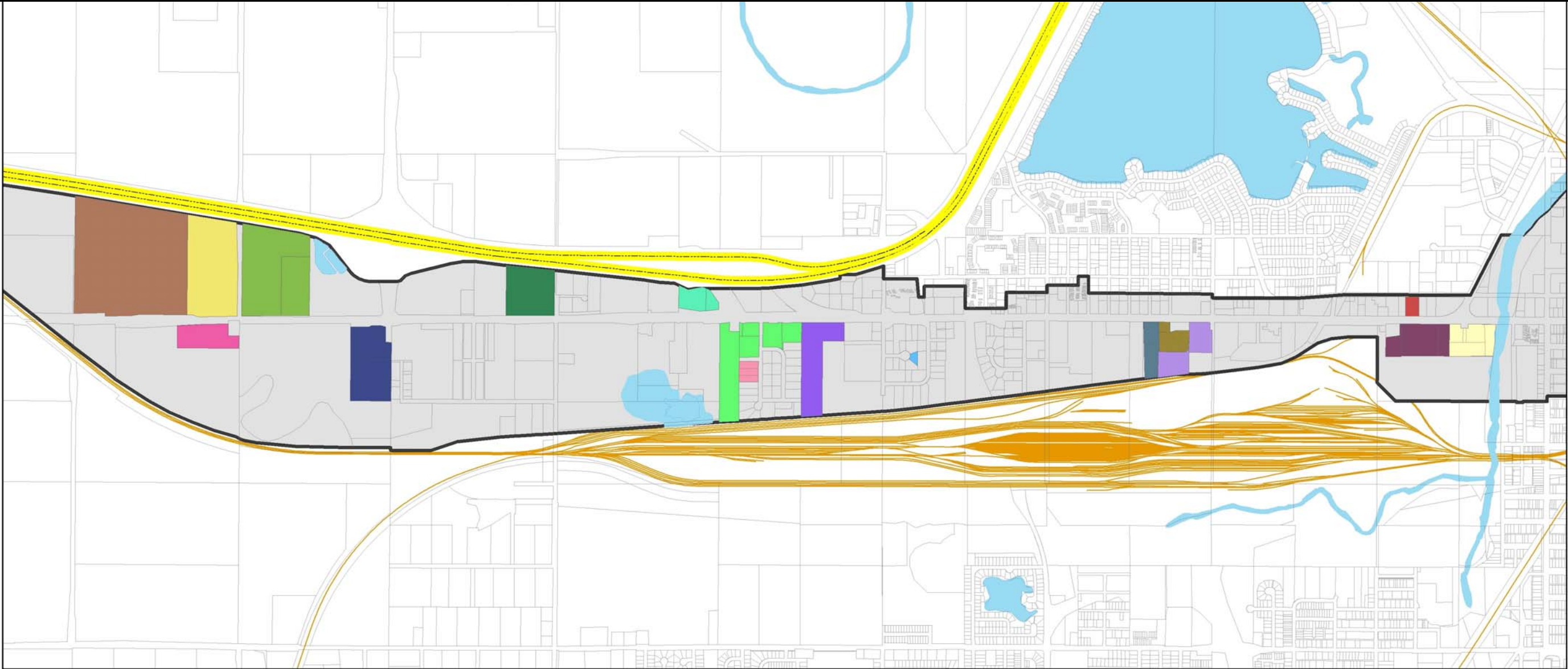
21. **Acquire substandard commercial/industrial structures.** This activity is included in the following section, "Acquisition of Substandard Housing and Commercial/Industrial Structures."

- Although these projects and locations are considered key to redevelopment of the corridor, additional locations should be included as well. Additional voluntary acquisitions will be identified in Appendix E and added to this plan by Mayor's Executive Order as they occur.

Exhibit 4 on page 24 illustrates the location of commercial and industrial activities.



# Exhibit 4: Location of Commercial/Industrial Redevelopment Activities



City of Lincoln  
Urban Development GIS  
Printed on 02/10/10





## **Redevelopment Activities: Residential**

Replacing and expanding affordable housing is a redevelopment principle of the City of Lincoln in all Redevelopment Areas. Project elements may include site acquisition, relocation, demolition, construction and site preparation. The City should also acquire substandard housing for redevelopment purposes, either to replace with new housing or other development. When possible, rehabilitation programs available through the City of Lincoln should be utilized to improve overall housing conditions. Additional voluntary acquisitions will be included in Appendices D and E and added to this plan by Mayor's Executive Order as they occur.

### ***Residential Development and Housing Rehabilitation***

Improving the quality and viability of residential areas is a redevelopment principle of the City of Lincoln in all Redevelopment Areas. To the degree feasible, projects in residential areas should consider the following:

- Separate residential areas from incompatible 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.
- Maximize opportunities for homeownership in the Redevelopment Area, especially for persons of low and moderate income.
- Work closely with private lenders, the Nebraska Investment Finance Authority, Lincoln Housing Authority 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.

### ***Acquisition of Substandard Housing and Commercial/Industrial Structures***

The Blight and Substandard Determination Study identified approximately 19% of all structures as substandard and having a major deficiency. Substandard housing and commercial/industrial structures 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 parcels made available for redevelopment. In some cases, parcels may be assembled for disposition. By acquiring and assembling parcels of land, the City can create marketable parcels which are of sufficient size to attract the interest of the private sector. Sale of these 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 blighting influences caused by substandard housing and structures that are inconsistent and incompatible with surrounding land uses. Parcels to be acquired are included in Appendix E.

Residential and commercial parcels identified in Appendices D and E are proposed for acquisition in accordance with one or more of the reasons stated under the preceding two sections titled Residential Development and Housing Rehabilitation and Acquisition of Substandard Housing and Commercial/Industrial Structures. During project implementation,

these two sections will provide the basis for determining the need to acquire miscellaneous parcels not previously identified to further accomplish the purposes of this Redevelopment Plan.

## Sub-Project Areas

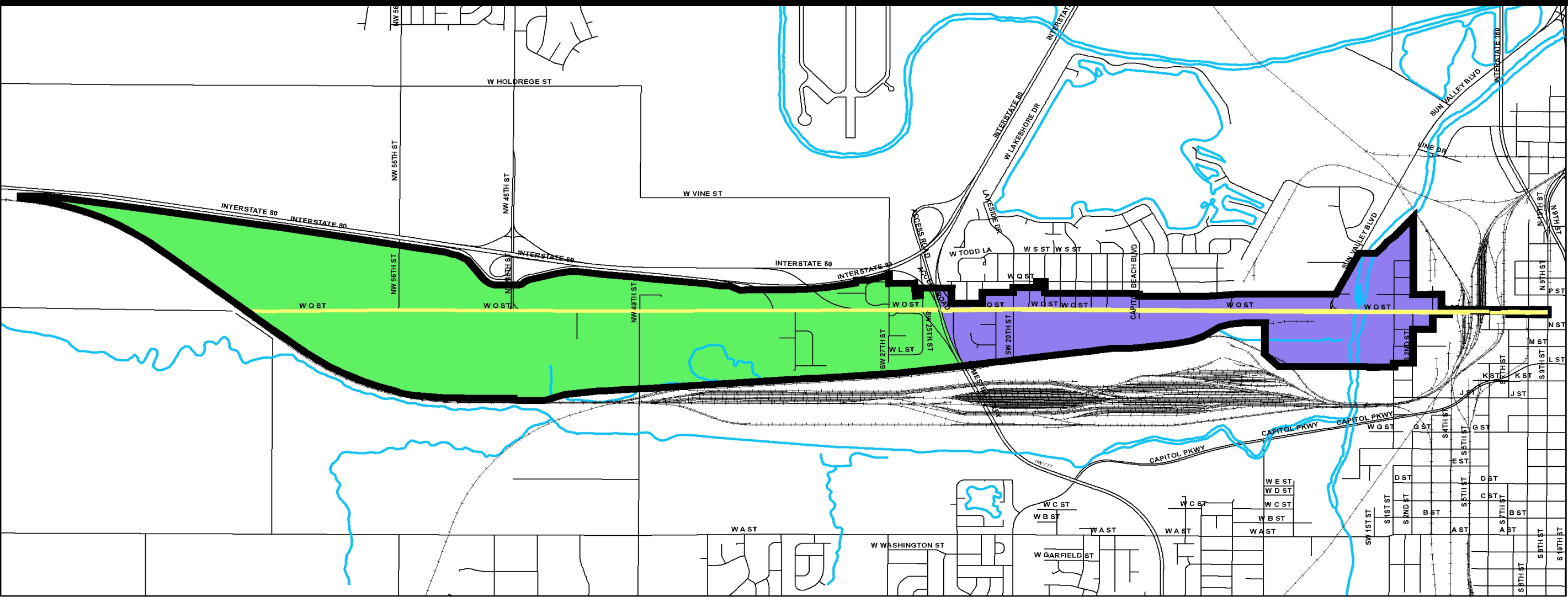
The Redevelopment Area is comprised of 3 sub-project areas with specific redevelopment activities identified within each sub-project. Activities will be undertaken as funding and private redevelopment proceed. Sub-project areas are illustrated in Exhibit 5 on page 27. Table 1, below, identifies the redevelopment activities within each sub-project area.

**Table 1: Redevelopment Activities within Sub-Project Areas**

Activity	Sub-Project Areas
Streets and Alleys	A and B
Sidewalks	A, B and C
Parking	A and B
Pedestrian/Bicycle Trails	A and B
Parks	A and B
Street Lighting	
Streetscape Beautification	A, B and C
Commercial/Industrial	B

## Future Land Use

Exhibit 6, on page 28, is a Proposed Future Land Use map. Future land use was determined by beginning with the future land use map in the *Comprehensive Plan*, and the extending commercial and industrial uses to the west. The overall population density of the Redevelopment Area will generally remain stable. Land coverage and building density will increase moderately.



West O Redevelopment Sub Project Areas

**Legend**

Streams

Railroad

**West O Redevelopment Area**

**West O Sub-Project Areas**

Project Area "A"

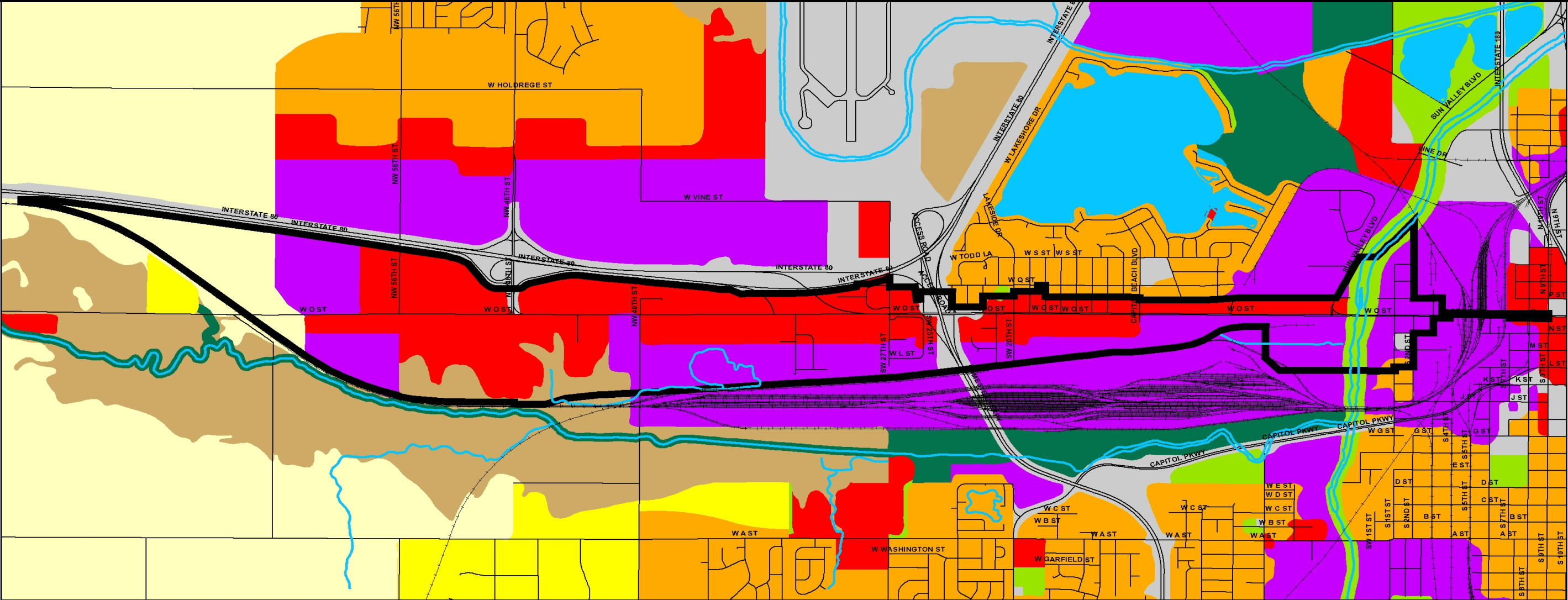
Project Area "B"

Project Area "C"

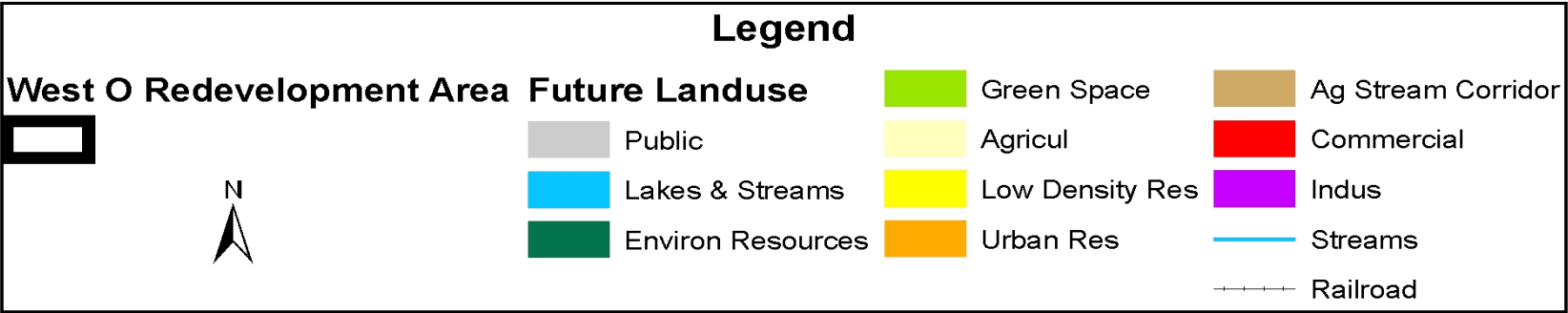


Map prepared by City of Lincoln, Urban Development Dept 8/05

Exhibit 6: Proposed Future Land Use



Future Land Use



Map prepared by City of Lincoln, Urban Development Dept 8/05

## 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 rerouting/upgrading of underground utilities; as needed). The processes for these activities include:

***Property Acquisition*** The City may acquire the necessary fees, easements, property and covenants through voluntary negotiations (see Land Acquisition Policy Statement, Appendix A). 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 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*** Sub-area projects will 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 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 a Request for Proposals (RFP). Standard City practices are used for the selection process.

## Estimated Expenditures

Preliminary estimates of project costs are included in Table 2, below. Total public and private sector project costs are estimated to total \$43,680,000 over 15 years.



**Table 2: Project Expenditure Summary**

<b>Activity</b>	<b>Private Sector Expenditures</b>	<b>Public Sector Expenditures</b>
Park Improvements		\$65,000
Streetscape Improvements		\$1,500,000
Total Commercial Redevelopment	\$39,000,000	\$3,115,000
<b>Subtotals:</b>	<b>\$39,000,000</b>	<b>\$4,680,000</b>

### **Conformance with *Comprehensive Plan***

*The Lincoln-Lancaster County Comprehensive Plan*, adopted May 28, 2002, as amended, represents the local objectives, goals and policies of the City of Lincoln. *The West O 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:

1. Special Assessments - Business Improvement Districts
2. Private Contributions
3. 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).
4. Municipal Infrastructure Redevelopment Fund (MIRF)
5. Community Development Block Grants
6. Home Investment Partnership Act (HOME)
7. HUD Section 108 Loan Program
8. Community Improvement (Tax Increment) Financing (Ad Valorem Tax)
9. Capital Improvements Program Budget

10. Federal and State Grants
11. Interest Income
12. 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 in part, the redevelopment project. When such bonds, loans, notes, advances of money, or indebtedness, including interest and premiums due, have been paid, the authority shall so notify the county assessor and county treasurer and all ad valorem taxes upon taxable real property in such 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 West O Street Redevelopment Plan* for each Sub Project is declared to be the date rehabilitation, acquisition, or redevelopment of substandard and blighted property in the sub project area first commences.

# **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**

See online at:

<https://www.lincoln.ne.gov/city/urban/real-row/pdf/reloc.pdf>

# Appendix C

## Land Disposition Procedures

### ADMINISTRATIVE REGULATION - LAND DISPOSITION

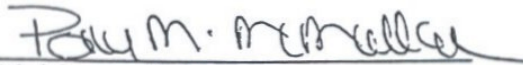
CITY OF LINCOLN

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>

Subsection G.2. of Administrative Regulation No. 2 is hereby amended to read as follows:

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

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:

  
Raymond McMiller  
Administrative Assistant

  
Mayor

## **Appendix D**

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

(None at this time.)

# **Appendix E**

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

(None at this time.)