

R. Proposed Amendments to the Lincoln Center Redevelopment Plan for the Lincoln Flats/Bank of the West Redevelopment Project

Section III

Lincoln Flats/Bank of the West Redevelopment Project

The Lincoln Flats/Bank of the West Redevelopment Project area, located between 13th and 14th Streets and O and P Streets in Downtown Lincoln, includes lots 10 and 11 of Block 39, Original Plat, and lot 6 and Outlot A of the University Square Addition, and adjacent rights-of-way to the center lines of N 13th Street, N 14th Street, and O Street, as shown on Exhibit IV-149. The goal of this project is to strengthen Downtown as a 24-hour livable community by creating new residential opportunities in the redevelopment of an existing underutilized building into mixed-use residential building with commercial on the first floor. The project will remove blighted and substandard conditions and will make positive contributions to the continued revitalization of Downtown Lincoln. City support may include the construction of project related public improvements and related streetscape amenities.

Section IV

S. Lincoln Flats/Bank of the West Redevelopment Project

Revitalization Project Description

The Lincoln Flats/Bank of the West Redevelopment Project area, as amended, located between 13th and 14th Streets and O and P Streets in Downtown Lincoln, includes lots 10 and 11 of Block 39, Original Plat, and lot 6 and Outlot A of the University Square Addition, and adjacent right-of-way to the center lines of N 13th Street and O Street, as shown on Exhibit IV-149.

The goal of this project is to strengthen Downtown as a 24-hour livable community by creating new residential opportunities in the redevelopment of an existing underutilized building into mixed-use residential building with commercial on the first floor. The project will remove blighted and substandard conditions and will make positive contributions to the continued revitalization of Downtown Lincoln.

The project is consistent with the goals of the Lincoln Center Redevelopment Plan and Downtown Master Plan and are intended to support private sector commercial and residential development in this redevelopment area. Publicly funded redevelopment activities may include the construction of project related public improvements and related streetscape amenities. These improvements correspond to several of the Downtown Redevelopment Goals identified in Section III. The redevelopment project addresses these goals by accomplishing the following:

- encouraging private redevelopment in and enhancing the architectural character of Downtown Lincoln;
- utilizing an underdeveloped lot;
- encouraging development of mixed-use projects that attract and maintain commercial activity and residential developments in Downtown;

- integrating streetscape and landscape improvements in the project area with existing public and private amenities;
- enhancing the area's pedestrian-friendly, street-level orientation.

Statutory elements

Currently, there are no plans to acquire, relocate, demolish, or dispose of real property. Should any of these occur, the City will follow policy outlined in the Plan. Neither land coverage nor building density will be altered with the implementation of this project. The existing street system within the project area will not be changed as a result of this project. Pedestrian elements will be enhanced in the adjacent east-west alley.

There are no residential units within the proposed project boundaries. The existing land use in the project area is commercial (see Exhibit IV-150). The redevelopment of the building will result in the addition of approximately 24, one- to two-bedroom housing units in the project area. The resulting land use will be mixed-use, with first-floor commercial and the remaining second through six floors being residential (see Exhibit IV-151).

Parking in the adjacent area includes the 437-stall University Square public garage. The developer is working with the Urban Development Department to rededicate on-site parking for the 24 units as part of an existing agreement. Various on-street parking configurations surround the project area block.

The area is located within the downtown B-4 business zone that allows for a wide range of uses including the mixed-use developments that are being proposed. Zoning will remain unchanged as a result of this project.

New infrastructure improvements may include the reconstruction of the adjacent alley to enhance the pedestrian experience north of the redeveloped building as well as other public enhancements within the project area.

Proposed Costs and Financing

The estimated total cost to implement this mixed-use redevelopment is approximately \$6.3 million, including approximately \$1,264,000 in public improvements. The source of funds for public improvements will be Community Improvement Financing (commonly referred to as Tax Increment Financing or TIF) generated from the private developments within the project area, and Capital Improvement Program funding.

Public investment may assist in the design and construction of the adjacent east-west alley, including façade enhancements, pavement improvements, traffic bollards, lighting, landscape enhancements, benches, etc.; utility improvements; other right-of-way and parking improvements; and, other façade enhancements.

Funding sources and uses will be negotiated as part of the redevelopment agreement, subject to approval by the Mayor and City Council.

Cost Benefit Analysis

As required by Nebraska Community Development Law (Nebr. Res. Stat # 18-2147), the City has analyzed the costs and benefits of the proposed Downtown Core Redevelopment Project including:

A. Tax Revenues

The Lincoln Flats/Bank of the West Redevelopment Project Area, on Block 39 located between 13th and 14th Streets and O and P Streets in Downtown Lincoln, had an assessed value in 2008 of approximately \$840,500. The assessed value of the property within the project area will increase by an estimated \$3.3 million as a result of a projected \$5.2 million private investment. This private investment will result in an estimated annual increase of up to \$150,000 in annual property tax collections, which will pay off a bond issue used to fund the construction of public improvements related to the Redevelopment Project during the 15-year TIF period. As shown in the 2007 Property Tax Allocations table below, the City will up to forgo approximately 16 percent of these collections, or up to approximately \$24,000 per year. The tax increment gained from this redevelopment project area would not be available for use as City general tax revenues over that time, but would be used for eligible public improvements to enable these projects to be realized.

**Tax District 1, Property Tax Allocations
as a Percentage of All Allocations, 2007**

Description	Percentage
Lancaster County	13.71
Public Building Commission	.85
City of Lincoln	14.33
Lincoln Public Schools	63.31
Educational Service Unit 18	.70
Lower Platte South NRD	2.08
Railroad Trans. Safety District	1.29
Southeast Community College	3.43
LC Agricultural Society	.08
LC Agricultural Society JPA	.21

Source: Lancaster County Assessor

B. Public Infrastructure and Community Public Service Needs

Public infrastructure will be enhanced to support this project and the continued redevelopment of Downtown Lincoln. Public investment may assist in the design and construction of the adjacent east-west alley, including façade enhancements, pavement improvements, traffic bollards, lighting, landscape enhancements, benches, etc.; utility improvements; other right-of-way and parking improvements; and, other façade enhancements.

The use of TIF is being pursued, because the developer is choosing to redevelop in an area with existing blighted and substandard conditions. Without the use of TIF, the City feels that the barriers to redevelopment would be so high as to discourage redevelopment as proposed in the Lincoln Center Redevelopment Plan and Downtown Master Plan. TIF is not only needed to improve aged public utilities, but to encourage improvements that assist in the maintenance of historic assets.

C. Employment Within the Project Area

In 2005, there were approximately 19,227 persons employed by 907 non-governmental establishments (not including federal, state, local government or the University) within Downtown (68508 zip code area) according to the Census, County Business Patterns, North American Industry Classification System.

While current TIF policy does not require the creation of new jobs in blighted, core areas of the City, this project is expected to create new jobs, maintain existing jobs, and support existing jobs Downtown. Based upon approximately 7,500 square feet of office and commercial space available, the project area could house between 20 and 22 employees once complete. As many as 7 to 9 of these employees will be new FTE's. The project will help retain 13 existing FTE's.

D. Employment in City Outside the Project Area

According to the Nebraska Department of Labor, Nebraska Workforce Development Labor Market Information for 2005, approximately 127,491 persons in the Lincoln MSA were employed in 8,047 establishments the private sector. The average annual wage for the private sector was \$32,267. The median household income for the City in 2005 was \$45,790.

The project is expected to generate employment related to the construction of the projects and related public improvements. Indirectly, we also expect to see an increase in future private sector employment as a result of other redevelopment or new business growth encouraged by this investment.

E. Other Impacts

While not readily quantifiable, there are expected to be benefits to Downtown resulting from the redevelopment of this underutilized building. The project supports the goals of the Downtown Master Plan, as it will increase housing options and opportunities Downtown and help support existing and future retail. We expect that this project and others like it will help make Downtown a 24-hour community.

City-wide benefits include the generation of additional tax and other revenues to the City as a whole.

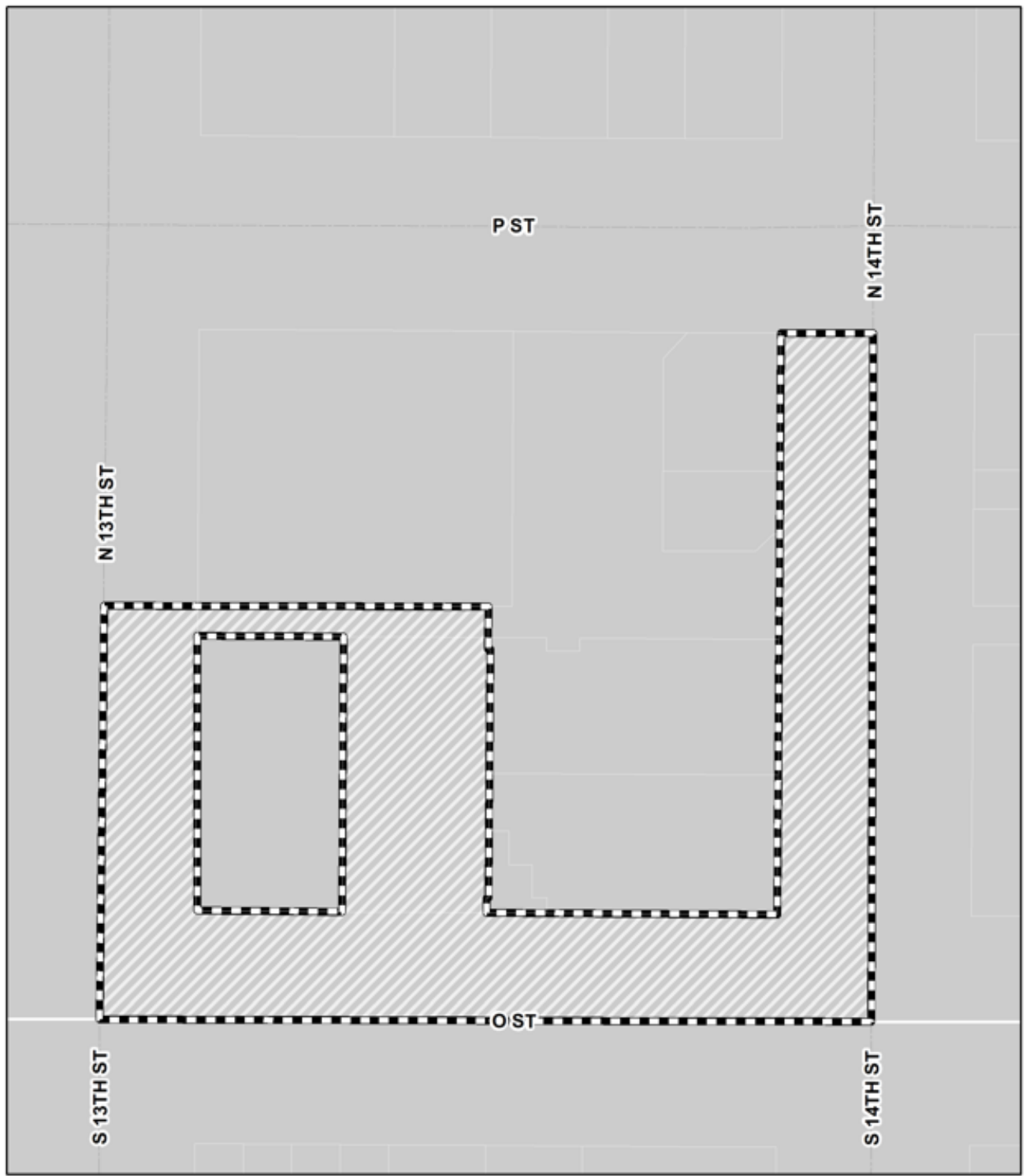


Exhibit IV-149 - Project Area
Lincoln Flats/BOTW Redevelopment Project

 Lincoln Flats - Bank of the West (2022)



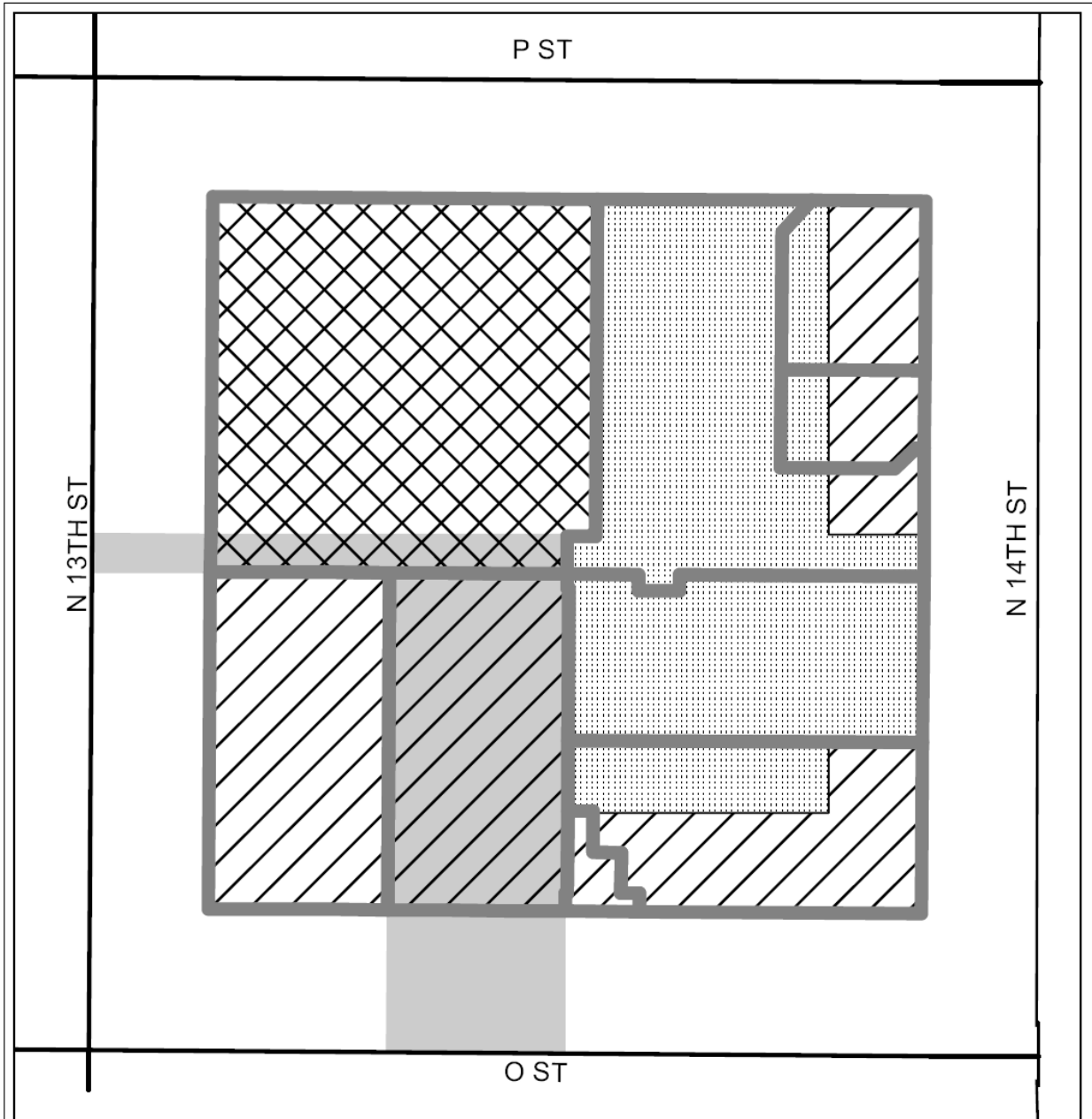





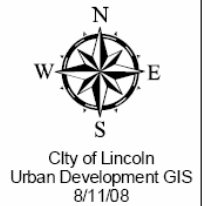


Exhibit IV-150 - Existing Landuse
Lincoln Flats/BOTW Redevelopment Project

- | | | |
|---|-----------------|--|
|  | Parcel Boundary | Landuse |
|  | Project Area |  Commercial |
| | |  Commercial/Residential |
| | |  Parking Garage |



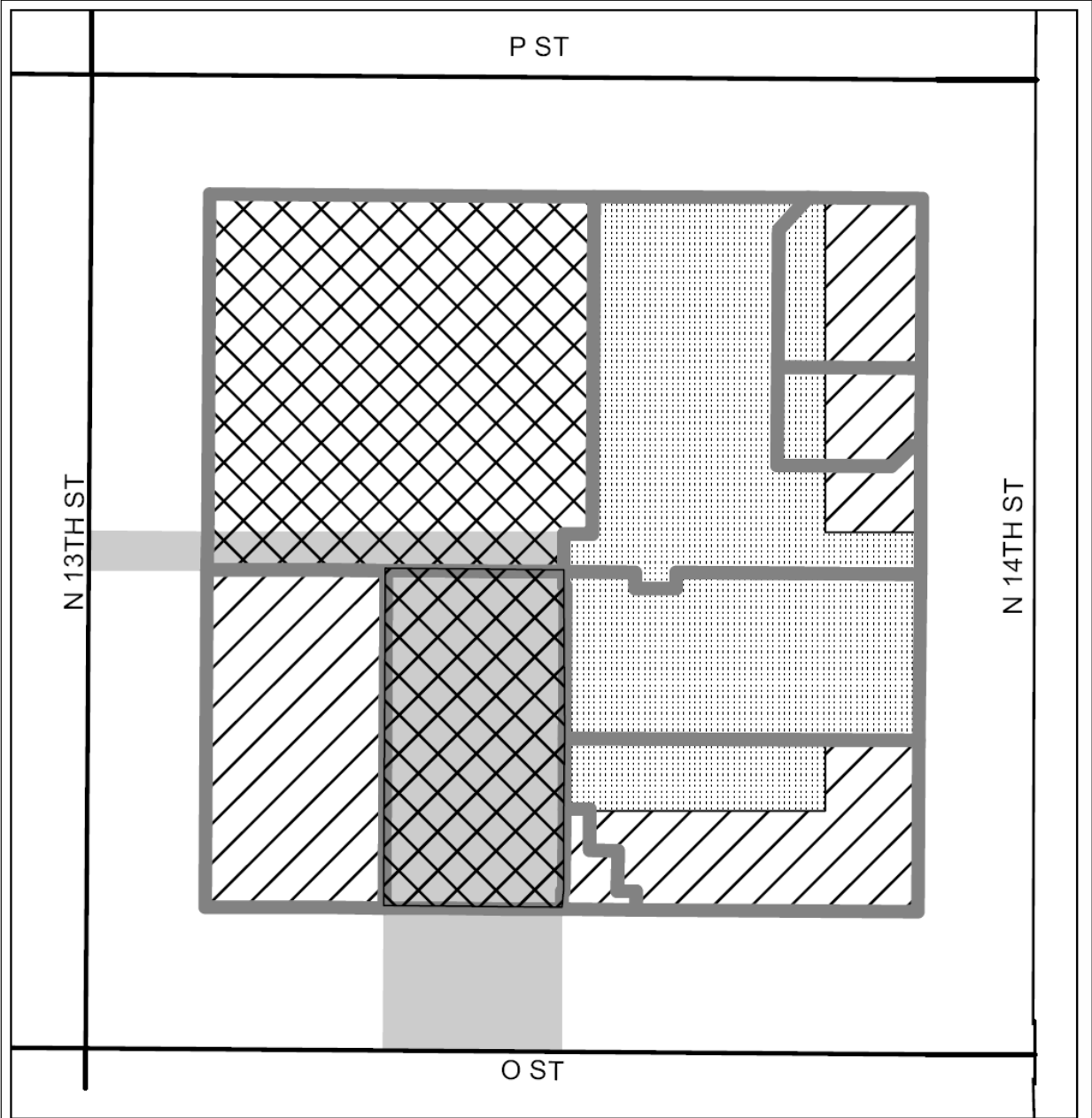


Exhibit IV-151 - Future Landuse
Lincoln Flats/BOTW Redevelopment Project

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|--|-----------------|------------------------|
| | Parcel Boundary | Landuse |
| | Project Area | Commercial |
| | | Commercial/Residential |
| | | Parking Garage |

